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Decorative Products Supplement—pp. 31-

Scotty's diversifies store design—pp. 23-26

National
Home Center News®

Vol. 11, No. 5 $2 a copy The newspaper for retailers serving homeowners and contractors. Published by Lebhar-Friedman Inc. Feb. 25, 1985

Boise retrenches; may sell more units

Lowe's sweeps West

By Phillip M. Perry
NHCN senior editor

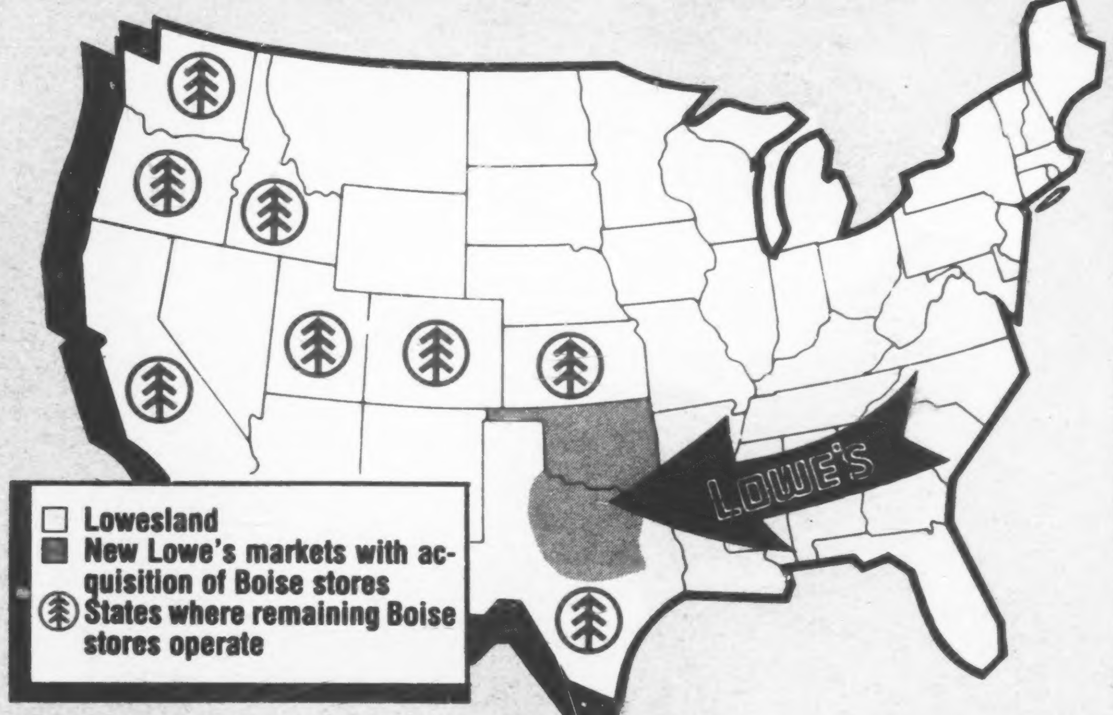
BOISE, Idaho — Boise Cascade said it plans to sell more of its retail outlets, following its Jan. 25 agreement to sell 23 units to Lowe's.

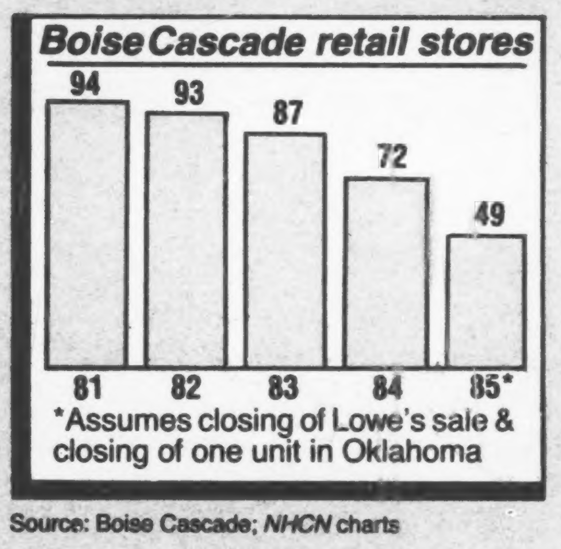
When the sale of the stores to Lowe's is closed, an event expected to occur by the end of next month, Boise will be left with 48 active retail facilities, as well as one closed unit in Oklahoma. These include 10 units in the Houston market that were rejected by Lowe's.

Doug Bartels, public relations manager for Boise, said that the company's stores were profitable enterprises, but that "there are different degrees of profitability," and that it would be correct to conclude that other divisions in the company were more profitable on an overall basis than were the stores.

"Someone else [more ex-

(Continued on page 86)


LOWE'S
☐ Lowesland
▨ New Lowe's markets with acquisition of Boise stores
States where remaining Boise stores operate



New Lowe's markets

Texas	No. of stores
Dallas-Fort Worth	12
Austin-San Antonio	4
Midland	1
Oklahoma	
Oklahoma City	3
Tulsa-No. Oklahoma	3

Source: Boise Cascade; *NHCN* charts

Evans supply line tightens; vendors object to secrecy

By John Caulfield
NHCN senior editor

NATIONAL REPORT — The continuing mystery shrouding Evans Products' financial plight is beginning to complicate relations with vendors, and frustrate Evans employees.

Having missed its $600 million debt payment due Jan. 15, and handicapped by a rock-bottom credit rating, Evans now faces growing vendor disenchantment that could jeopardize its ability to keep a steady flow of products coming into its retail stores, especially its new warehouses.

Several major vendors have confirmed decisions to, at least temporarily, cut off one or more of Evans' home center chains from products and credit, with their officials complaining they haven't been paid on time and that they have received virtually no information on Evans' financial status or its negotiations with its 22 bank lenders.

While a majority of suppliers are shipping Evans, some are doing so, their officials say, mostly out of loyalty to the chain's executives, buyers and store managers. And, credit considerations have led a number of vendors to put Evans Retail, in the words of one manufacturing source, "on a very tight string."

As has been the case over the past several months, Evans officials in Miami (its corporate headquarters), Braintree, Mass. (where Evans Retail and Grossman are based) and Roanoke, Va. (Moore's headquarters) did not return phone calls or refused to comment on either the corporation's debt problems

(Continued on page 85)

Trumps taking charge at Pay 'n Save Corp.

Owners assuming more active role

By Brad Altman
NHCN associate editor

SEATTLE — The Trump Group, a New York-based financial business concern, which orchestrated Pay 'n Save's conversion to private ownership last September, is dramatically altering Pay 'n Save's corporate chain-of-command and lessening the responsibilities of its top executives.

Since early January, division heads—including Bill Boston, a vice president and general manager of 70-unit Ernst home centers—have been reporting directly to Julius Trump and bypassing the chain's former three-man executive committee, which has been abolished.

No longer do the operating divisions report to M. Lamont Bean, chairman and ceo; Clavin Hendricks, vice chairman and cfo, or E. Ronald Erickson, president and coo. The trio had comprised the disbanded executive committee.

"They may not have the final say as they did in the past in terms of the decision-making process," said Pay 'n Save spokesman Jim Konschuh. "But all of them are involved in developing Pay 'n Save's short- and long-term strategies."

Nevertheless, the lessening of power within the chain's executive suite appears to have caught both insiders and observers offguard. Last Septem-

(Continued on page 5)

NEWSBREAKS

GOODBUYS 10th. Mr. Goodbuys will open its 10th store this fall at the Cedarbrook Mall, near the Philadelphia suburb of Abington. Goodbuys chairman Steven Erlbaum said the new 116,000-sq.-ft. unit will be followed by another store in the Philadelphia market by the end of 1985 (*see story, Page 3*). Erlbaum also said his company will open two additional stores in northern New Jersey, prior to opening the Abington location.

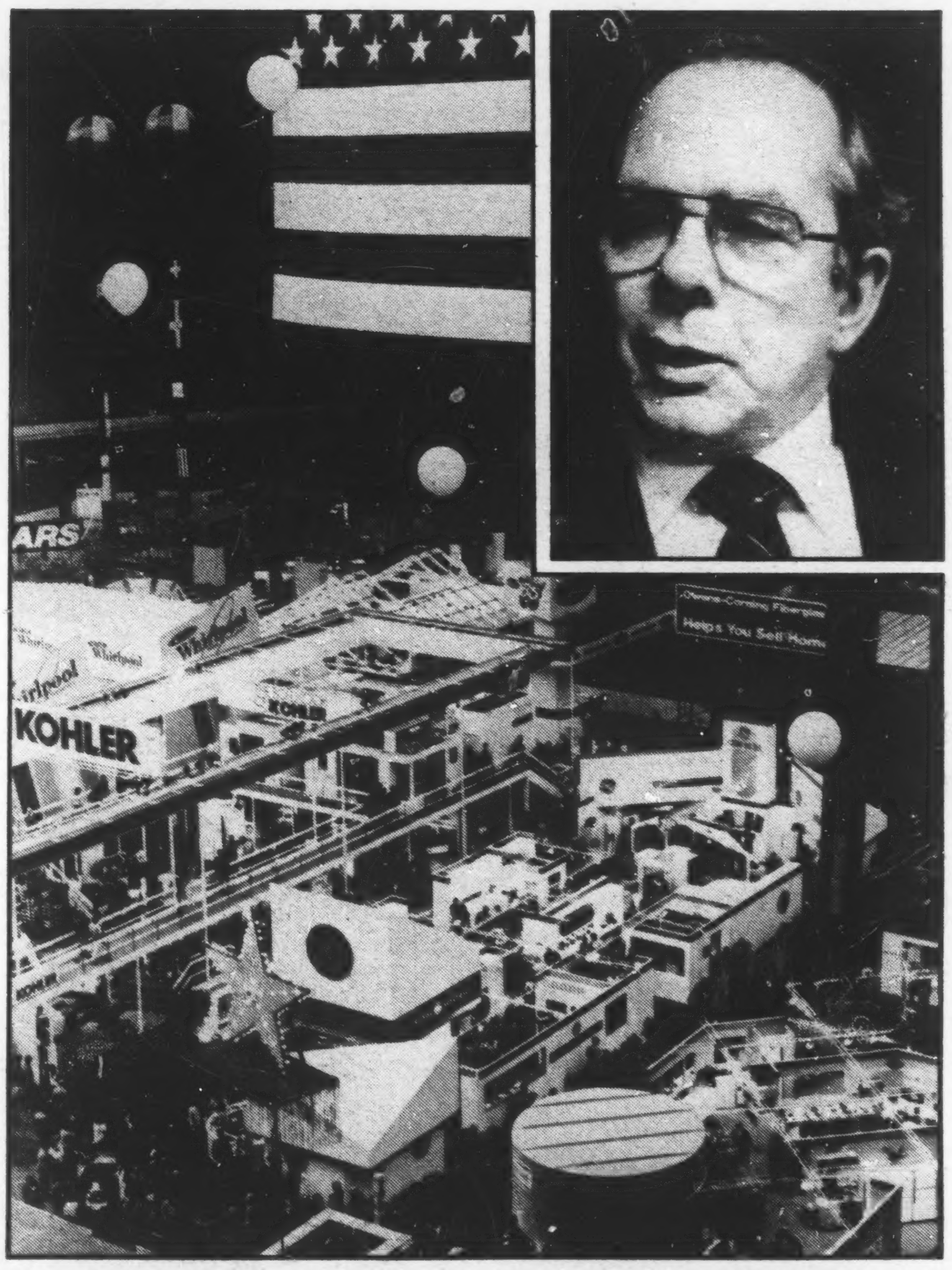
INSIDE

City Mill's Steven Ai leaves the Honolulu chain to become a consultant —Page 2

Builders Square accelerates expansion pace —Page 3

Mr. Goodbuy's revamps merchandising, slates 5 new units for '85 —Page 3

Improved affordability lifts 1984 home resales —Page 11



"Our greatest concern is the nation's runaway Federal deficit," new NAHB president John Koelemij told homebuilders at the association's annual convention in the Houston Astrodome. NHCN photos

SHOW: NAHB

New housing projections buoy builder

Laura Liebeck
NHCN field editor

HOUSTON — Homebuilders throughout the country are enthusiastic about 1985.

News circulating at last month's National Assn. of Home Builders convention was positive, including statistics on the show and improved home building activity now expected for the balance of 1985.

Held in Houston's Astro dome complex Jan. 26-29, the 41st annual NAHB convention was the largest ever, the organization reported. It attracted 50,103 visitors and 900 exhibitors compared to last year's 48,000 guests and 850 exhibitors.

It also earned the organization "several million dollars," according to Kent Colton, exec vp for NAHB.

Although the overall mood at the show was optimistic, especially since the NAHB and leading economists have revised their 1985 housing starts expectations upward to parallel activity in 1984, there was deep concern by the builders over some

(Continued on page 86)

New franchiser taps nat'l decor market

"We like to come in after home centers finish with the customers," says the chief of a $12 million firm franchising a home decorating service on wheels, now launching a sweeping national expansion drive. Story begins page 40, in *NHCN*'s Decorative Products Supplement.

Decorating Den
Drapery
Carpet
Wallcovering

Midwest Region Housing Starts by Market

MARKET	1983	1984				1985	ANNUAL DATA		
	IV	I	II	III	IV	I	1983	1984	1985
AKRON, OHIO	583	390	805	521	470	300	2,575	2,168	1,870
% change vs. previous year	15.3	1.6	1.5	(36.5)	(20.1)	(21.1)	12.9	(16.2)	(13.3)
Single family	283	183	408	249	296	125	1,288	1,040	930
% change vs. previous year	23.0	6.4	1.7	(42.2)	(29.3)	(31.7)	13.6	(19.3)	(13.5)
CHICAGO, ILL.*	4,080	4,210	6,815	5,705	4,300	3,250	21,330	21,030	19,000
% change vs. previous year	(9.9)	37.8	23.3	(34.2)	5.4	(22.8)	93.3	(1.4)	(9.7)
Single family	2,440	1,875	3,985	3,185	2,400	1,750	11,005	11,455	10,500
% change vs. previous year	47.2	12.3	7.8	(0.2)	(1.6)	(6.7)	136.4	4.1	(8.3)
CINCINNATI, OHIO*	1,315	1,012	1,380	1,800	1,450	1,200	5,533	5,642	6,000
% change vs. previous year	55.6	3.9	(4.2)	(0.2)	10.3	18.6	67.3	2.0	6.3
Single family	891	587	949	1,150	950	700	3,633	3,636	3,800
% change vs. previous year	81.3	(2.3)	(5.5)	1.1	6.6	19.3	92.0	0.1	4.5
CLEVELAND, OHIO	733	817	1,255	972	401	567	3,594	3,445	2,800
% change vs. previous year	55.6	94.1	(13.5)	(1.7)	(45.3)	(30.6)	108.5	(4.1)	(18.7)
Single family	457	509	782	606	250	434	2,239	2,147	2,233
% change vs. previous year	81.3	94.3	(13.5)	(1.6)	(45.3)	(14.7)	142.8	(4.1)	4.0

Parentheses denote % decrease
*Denotes Standard Metropolitan Statistical Area
Source: NAHB, from local reporting authorities

MARKET	1983	1984				1985	ANNUAL DATA		
	IV	I	II	III	IV	I	1983	1984	1985
COLUMBUS, OHIO	1,225	1,670	2,211	1,200	1,000	1,540	4,925	6,281	6,631
% change vs. previous year	4.7	96.8	57.9	(11.1)	(18.4)	(17.6)	36.8	27.5	5.6
Single family	700	870	1,328	800	700	895	3,050	3,698	3,927
% change vs. previous year	9.4	33.8	47.6	—	—	2.9	52.5	21.2	6.2
DAYTON, OHIO	610	250	575	675	550	300	2,075	2,050	2,250
% change vs. previous year	3.0	—	4.5	1.5	(9.8)	20.0	42.3	(1.2)	9.8
Single family	360	200	525	425	350	200	1,650	1,500	1,650
% change vs. previous year	3.7	—	5.0	(28.0)	(2.5)	—	110.7	(9.1)	10.0
DETROIT, MICH.*	1,755	1,761	4,208	2,425	1,900	1,409	9,069	10,294	9,000
% change vs. previous year	12.0	50.4	53.4	1.1	8.3	(20.0)	64.4	27.6	(12.6)
Single family	1,252	1,137	2,366	1,675	1,300	910	5,702	6,478	6,000
% change vs. previous year	171.0	4.9	20.1	8.3	3.3	(20.0)	229.6	13.6	13.6
INDIANAPOLIS, IND.*	940	591	1,096	1,918	900	540	4,262	4,505	4,300
% change vs. previous year	20.9	7.7	(16.7)	31.6	(4.3)	(8.6)	35.9	5.7	(4.6)
Single family	578	451	800	694	550	340	2,436	2,495	2,500
% change vs. previous year	86.9	15.3	9.0	(5.3)	(4.8)	(24.6)	85.0	2.4	0.2

Parentheses denote % decrease
*Denotes Standard Metropolitan Statistical Area
Source: NAHB, from local reporting authorities

Building mat'ls shift under way

(Continued from page 20)

By 1982, the scene had changed dramatically. Hardboard's market share had grown 88%, aluminum siding had dropped 31%, and vinyl siding's share of the market had doubled to 2%.

"Even though it demands more maintenance than aluminum siding, hardboard siding seems to be gaining favor because there is more color selection," said Gebhardt of Ryan Homes. With aluminum siding, the homeowner can select only from a limited number of colors, while hardboard can be painted any color.

"One of the major problems with aluminum siding is that it's easy to dent," pointed out Mintz of the NAHB.

The increase in market share enjoyed by vinyl siding has come about largely at the expense of aluminum siding, noted industry observers, who pointed out that the latter is a more expensive product. Further, vinyl does not dent as easily as aluminum.

Windows: Metal shows clear gains

Aluminum and vinyl clad windows have steadily eroded the market share held by wood windows used in new homes. While wood window's market share dropped 42% in the period from 1974 to 1982, vinyl clad windows increased by 167% and aluminum's increased by 16%.

"The cost of wood windows is high, and the thermal performance of aluminum windows, in terms of transmission of heat loss, has improved," explained Gebhardt of Ryan Homes.

Front Doors: Steel overtakes wood

In the period from 1974 to 1982, steel replaced wood as the dominant product used in front doors for new homes.

In 1974, wood held 68% of the market while steel held 32%. Eight years later, wood held 33% while steel held 64%.

"Not only can steel be cheaper than wood, but it is thermally better, when magnetic weatherstripping is used," explained Gebhardt of Ryan Homes.

(Continued on page 29)

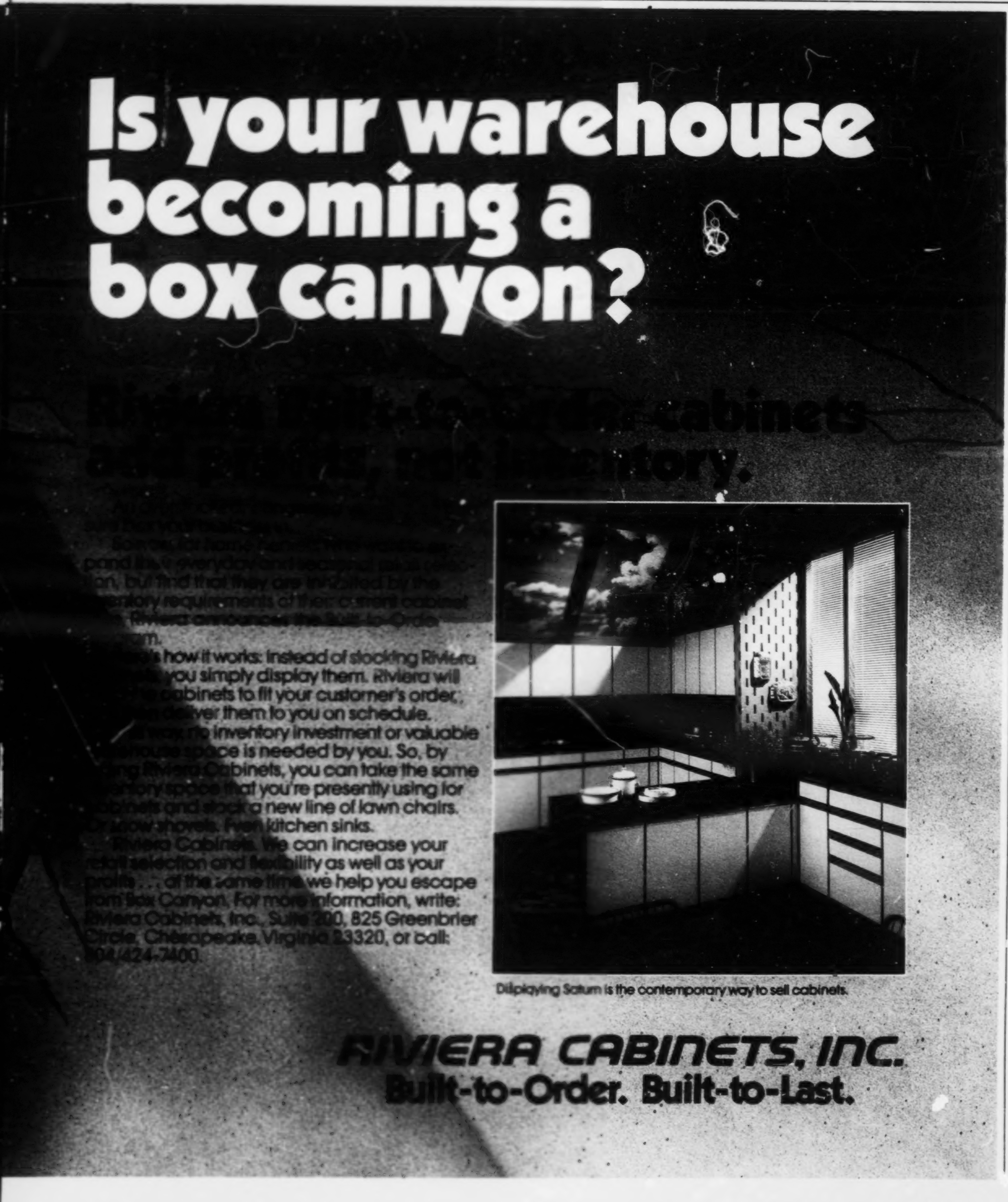
Midwest Region Housing Starts by Market

MARKET	1983	1984				1985	ANNUAL DATA		
	IV	I	II	III	IV	I	1983	1984	1985
KANSAS CITY, MO.*	2,380	2,630	3,290	3,570	2,600	2,900	9,220	12,000	12,000
% change vs. previous year	124.3	76.5	11.9	40.6	9.2	10.3	116.4	30.2	—
Single family	1,090	1,390	1,810	1,430	1,070	1,400	5,630	5,700	6,000
% change vs. previous year	123.2	24.1	(3.7)	(10.1)	(1.8)	0.7	118.2	1.2	5.3
MADISON, WIS.*	540	715	470	425	425	325	1,725	2,035	1,700
% change vs. previous year	103.8	204.3	(17.5)	11.8	(21.3)	(54.5)	118.4	18.0	(16.5)
Single family	235	135	360	260	275	175	1,055	1,030	950
% change vs. previous year	57.6	(10.0)	(2.7)	(13.3)	17.0	29.6	134.4	(2.4)	(7.8)
MILWAUKEE, WIS.*	766	673	961	789	550	520	3,634	2,973	3,000
% change vs. previous year	53.8	95.6	(15.8)	(42.9)	(28.2)	(22.7)	71.0	(18.2)	0.9
Single family	348	394	637	536	300	320	1,723	1,867	1,900
% change vs. previous year	38.1	78.3	9.3	(6.1)	(13.8)	(18.8)	91.0	8.4	1.8
MINNEAPOLIS-ST. PAUL, MINN.*	4,300	3,000	5,900	5,300	4,200	3,200	17,400	18,400	17,500
% change vs. previous year	10.3	15.4	7.3	6.0	(2.3)	6.7	39.2	5.7	(4.9)
Single family	2,500	1,800	3,900	3,200	2,400	2,000	11,400	11,300	11,000
% change vs. previous year	19.0	5.9	5.4	(8.6)	(4.0)	11.1	50.0	(0.9)	(2.7)

Parentheses denote % decrease
*Denotes Standard Metropolitan Statistical Area
Source: NAHB, from local reporting authorities

MARKET	1983	1984				1985	ANNUAL DATA		
	IV	I	II	III	IV	I	1983	1984	1985
ST. LOUIS, MO.*	2,310	2,290	3,090	2,880	2,100	2,000	10,950	10,360	9,250
% change vs. previous year	(12.5)	(0.4)	6.6	(16.3)	(9.1)	(12.7)	37.6	(5.4)	(10.7)
Single family	1,150	1,290	1,710	1,580	1,100	1,150	6,070	5,680	5,000
% change vs. previous year	4.5	(8.5)	(2.8)	(9.7)	(4.3)	(10.9)	47.3	(6.4)	(12.0)
TOLEDO, OHIO*	569	282	529	413	350	200	2,038	1,574	1,500
% change vs. previous year	61.2	(18.0)	0.8	(31.2)	(38.5)	(29.1)	14.8	(22.8)	(4.7)
Single family	212	148	295	204	150	100	1,022	797	700
% change vs. previous year	84.3	(14.0)	(6.6)	(36.6)	(29.2)	(32.4)	71.2	(22.0)	(12.2)
WICHITA, KAN.*	1,189	823	897	1,115	638	575	3,824	3,473	3,100
% change vs. previous year	73.3	42.1	(2.2)	(2.1)	(46.3)	(30.1)	27.7	(9.2)	(10.7)
Single family	677	538	713	329	300	300	2,772	1,880	1,700
% change vs. previous year	54.9	31.9	(5.4)	(64.7)	(55.7)	(44.2)	82.0	(32.2)	9.6
MIDWEST TOTAL	24,663	22,419	35,179	39,898	22,744	19,541	106,953	111,222	104,711
% change vs. previous year	17.3	36.4	11.9	(10.1)	(7.8)	(12.8)	57.9	4.0	(5.9)
Single family	13,818	11,998	21,514	17,021	12,830	11,229	63,435	63,363	61,420
% change vs. previous year	38.4	13.1	6.7	(9.9)	(7.2)	(6.4)	86.1	(0.1)	(3.1)

Parentheses denote % decrease
*Denotes Standard Metropolitan Statistical Area
Source: NAHB, from local reporting authorities



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Building mat'ls shift under way

(Continued from page 28)

"Also, steel doesn't swell or rot."

Within the categories of wood and steel doors, other changes are under way. Wood flush (nondesign) doors have taken on more market share, from only 5% in 1974 to 24% in 1982.

This may be due to the fact that these doors are made from cheaper wood and are installed primarily on lower cost homes.

Wood panel (designed) doors fell from a 63% market share in 1974 to only 9% in 1982. This is due to the growing popularity of steel embossed doors.

Steel embossed doors grew from 6% in 1974 to 33% in 1982, while steel flush (flat) doors grew at a more modest rate.

Fireplaces: More new homes have them

Only 6% of new homes had two fireplaces or more when built in 1974. Eight years later, this figure had risen to 10%.

Some 57% of new homes had at least one fireplace in 1974, while 70% had at least one in 1982. The change could offer opportunity for retailers selling fireplace accessories.

Flooring: Carpeting, sheet goods increase; tile declines

Carpeting has retained its comfortable lead at just under 75% of new housing floor covering.

The only other products to have captured significant market share are resilient floor tile and resilient sheet goods, which have just about switched positions over the past decade.

In 1974, resilient tile was being installed in 12% of new homes, while resilient sheet goods were installed in 7%. Eight years later, the figures were 5% and 13%, respectively.

Gebhardt of Ryan Homes said customer preference was the No. 1 reason for carpet's dominance in new homes. In the case of resilient, he said not only that more varieties of sheet goods are available than in the past, but also that the product is not as labor intensive to install as is tile.

More housing statistics, Pages 31-37

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USA HOUSING OUTLOOK

Upgraded built-in-factory homes offer buyers affordable options

(Continued from page 19)

from the President's Commission on Housing urging more affordable housing in this country, the Federal Government has joined the effort to help more families become eligible for mortgage financing.

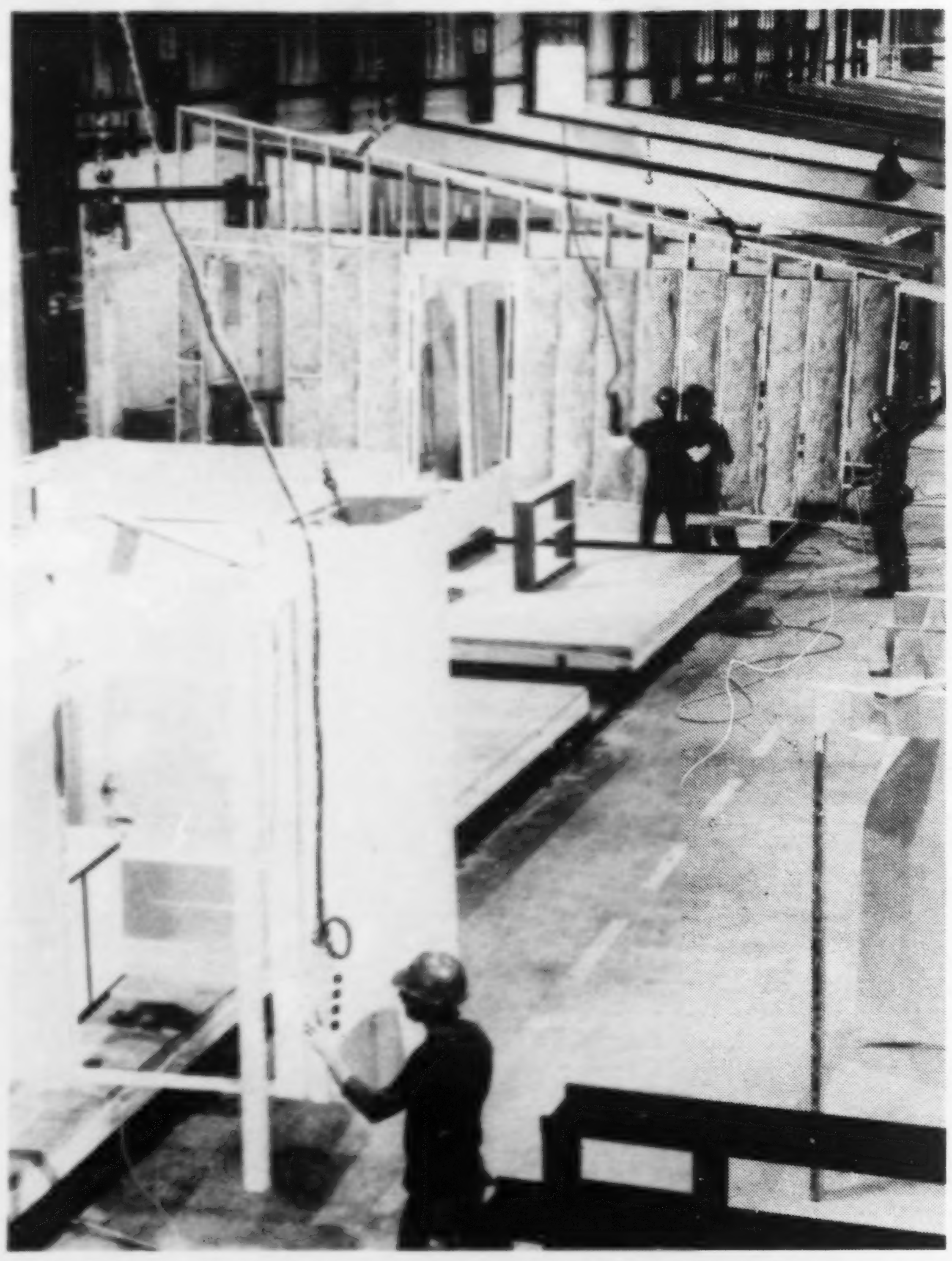
Mortgage financing for permanently affixed mobile home units is becoming more available and on more affordable loan terms. Previously, mobile homes were purchased as personal property rather than as real estate thus giving the purchaser shorter loan terms and higher interest rates.

The Veterans Administration is expected to make the loan category switch later this month and the Farmers Home Administration is expected to do so by late spring. The Federal Home Administration made the change in April 1983.

The Yorba Linda project reflects a major breakthrough in the areas of zoning and image. It overcame local zoning ordinances with the cooperation of its city officials, a participant in the project. Green Hills is still in the construction stages and buyer acceptance has not yet been tested. The mobile home units are produced by Fleetwood Enterprises Inc. of Riverside, Calif., the largest mobile home producer in the United States, with 40,000 units in 1984, according to *Professional Builder* magazine.

Yorba Linda is just one example of how pervasive factory-built home construction is in the market today. In fact, according to *Automation in Housing/Systems Building News*, 49% of all housing in the country includes some form of prefabricated materials prior to reaching the permanent home site. Of that 49%, 27% is attributed to panelized construction, 18% to mobile homes and 4% for modular/sectional home construction.

Panelized construction, the fastest growing segment of the total housing industry, refers to homes built from components like roof and floor trusses, walls, staircases and bathrom and kitchen units that are built in the factory and assembled on the site.



This factory-controlled environment is the building site for these units produced by Cardinal Industries of Columbus, Ohio.

Mobile homes, now called manufactured housing, a result of a June 1976 National Manufactured Home Construction and Safety Standards Act of 1974 specifying construction requirements, is defined as housing unit 12 ft. to 14 ft. wide by as much as 80 ft. long. It is built on its own chassis in a factory and is 100% complete, including furnishings, when it is transported to its permanent foundation.

Modular/section home construction means 12-ft. by 24-ft. "boxes" built in a factory that are 95% complete when delivered to the construction site. The individual units are "mated" at the site to form a home that appears to be site-built.

Despite these differences, all manufactured housing have several similarities. They are cheaper than conventionally stick-built houses because they are generally built by nonunion workers, in a factory-controlled setting. Also, the units are built from orders. Speculative and inventory construction is reserved for site builders.

The average cost of a mobile home is approximately $21,000, excluding land but including transportation to the site, compared to $72,500 for a stick-built house. Bruce Butterfield, vp of public relations for the Manufactured Housing Institute, said mobile home units cost an average of $20.25 per square foot compared to $41.64 per

(Continued on page 31)

FOR THE RECORD

Loss Prevention meet to be held in Nashville

INDIANAPOLIS — The third annual Home Center Loss Prevention Conference, sponsored by the Home Center Institute here is scheduled for April 14 to 17, 1985.

To be held at the Opryland Hotel in Nashville, the conference will include discussions on liabilities in loss prevention; P.O.S. security, and control and computer security. Also, nine round-table discussions are scheduled.

2 hardware makers merge: Dasco Pro Inc.

ROCKFORD, Ill. — DASCO Products Inc. and Pro Products Co. Inc., locally owned and operated hardware manufacturers, have agreed in principle to merge. The DASCO Products line consists of a wide range of forged struck tools for use in woodworking, metalworking and masonry jobs. Pro Products sells aluminum, brass-bound and urethane levels as well as aluminum squares, angle finders and inclinometers. Reflecting the merger, the new company name will be DASCO PRO Inc.

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South Region Housing Starts by Market

MARKET	1983 IV	1984 I	1984 II	1984 III	1984 IV	1985 I	ANNUAL DATA 1983	ANNUAL DATA 1984	ANNUAL DATA 1985
ATLANTA, GA.*	10,915	12,305	14,900	12,340	11,760	11,100	45,190	51,305	44,075
% change vs. previous year	61.3	31.2	11.5	6.7	7.7	(9.8)	82.8	13.5	14.1
Single family	7,785	8,150	8,300	7,145	7,675	7,660	29,530	31,270	27,830
% change vs. previous year	62.9	29.0	4.1	(4.5)	(1.4)	(6.0)	67.2	5.9	(11.0)
BALTIMORE, MD.*	3,610	3,020	4,320	4,620	3,630	3,070	15,830	15,590	15,275
% change vs. previous year	32.7	6.0	(0.2)	(8.3)	0.6	1.7	107.7	(1.5)	(2.0)
Single family	3,110	2,390	3,520	3,920	2,750	2,300	12,980	12,580	12,025
% change vs. previous year	52.5	11.2	2.6	(8.6)	(11.6)	(3.8)	130.6	(3.1)	(4.4)
DALLAS-FORT WORTH, TEX.*	25,100	24,900	24,200	20,100	13,700	16,800	112,500	82,900	66,900
% change vs. previous year	41.0	(8.5)	(17.7)	(34.7)	(45.4)	(32.5)	125.0	(26.3)	(19.3)
Single family	10,200	10,300	11,200	9,400	6,900	7,000	47,700	37,800	33,500
% change vs. previous year	24.4	1.0	(19.4)	(29.9)	(32.4)	(32.0)	80.7	(20.8)	(11.4)
FORT LAUDERDALE, FLA.*	3,034	2,441	3,268	4,725	5,060	3,900	12,002	15,494	18,075
% change vs. previous year	168.0	11.0	(0.9)	36.1	66.8	59.8	93.5	29.1	16.7
Single family	1,127	1,145	1,297	1,450	1,610	1,400	4,082	5,502	6,075
% change vs. previous year	170.9	46.2	33.2	21.0	42.9	22.3	145.8	34.8	10.4

Parentheses denote % decrease
*Denotes Standard Metropolitan Statistical Area
Source: NAHB, from local reporting authorities

MARKET	1983 IV	1984 I	1984 II	1984 III	1984 IV	1985 I	ANNUAL DATA 1983	ANNUAL DATA 1984	ANNUAL DATA 1985
HOUSTON, TEX.	10,050	11,080	10,120	5,380	4,300	5,820	58,780	30,880	32,320
% change vs. previous year	(37.5)	(39.0)	(40.9)	(60.9)	(57.2)	(47.5)	(12.2)	(47.5)	4.7
Single family	5,490	6,300	6,010	3,130	2,750	4,110	10,450	18,190	10,610
% change vs. previous year	(22.2)	(23.3)	(34.8)	(58.4)	(49.9)	(34.8)	(4.2)	(49.3)	13.3
LAKELAND-WINTER HAVEN, FLA.	642	732	912	896	930	950	2,250	3,470	3,782
% change vs. previous year	21.0	29.8	70.5	76.0	44.9	29.8	(4.7)	54.2	9.0
Single family	322	450	543	558	600	603	1,198	2,151	2,322
% change vs. previous year	47.1	59.0	62.1	116.3	86.3	34.0	(2.6)	79.5	7.9
LITTLE ROCK/NORTH LITTLE ROCK, ARK.*	959	1,009	1,369	1,009	661	790	3,908	4,048	3,300
% change vs. previous year	1.6	67.6	10.0	(8.5)	(31.1)	(21.7)	54.0	3.6	(18.5)
Single family	279	426	489	338	275	375	1,282	1,528	1,600
% change vs. previous year	83.6	86.0	18.4	(6.4)	(1.4)	(12.0)	162.7	19.2	4.7
MEMPHIS, TENN.*	1,386	2,250	2,364	1,599	1,400	1,250	5,328	7,613	6,500
% change vs. previous year	42.9	150.0	48.7	10.1	1.0	(44.4)	97.7	42.9	(14.6)
Single family	934	1,050	1,148	824	900	750	4,105	3,922	3,300
% change vs. previous year	33.4	23.5	(10.3)	(27.1)	(3.6)	(28.6)	129.2	(6.5)	(15.9)

More South Region housing statistics, Page 33

New technology; more options

(Continued from page 30)

square foot for site-built houses.

Modular housing units usually cost about the same as those for stick-built units. Evaluating the cost of panelized home construction is even more difficult to assess since builders incorporate many of these techniques within their stick-built construction patterns.

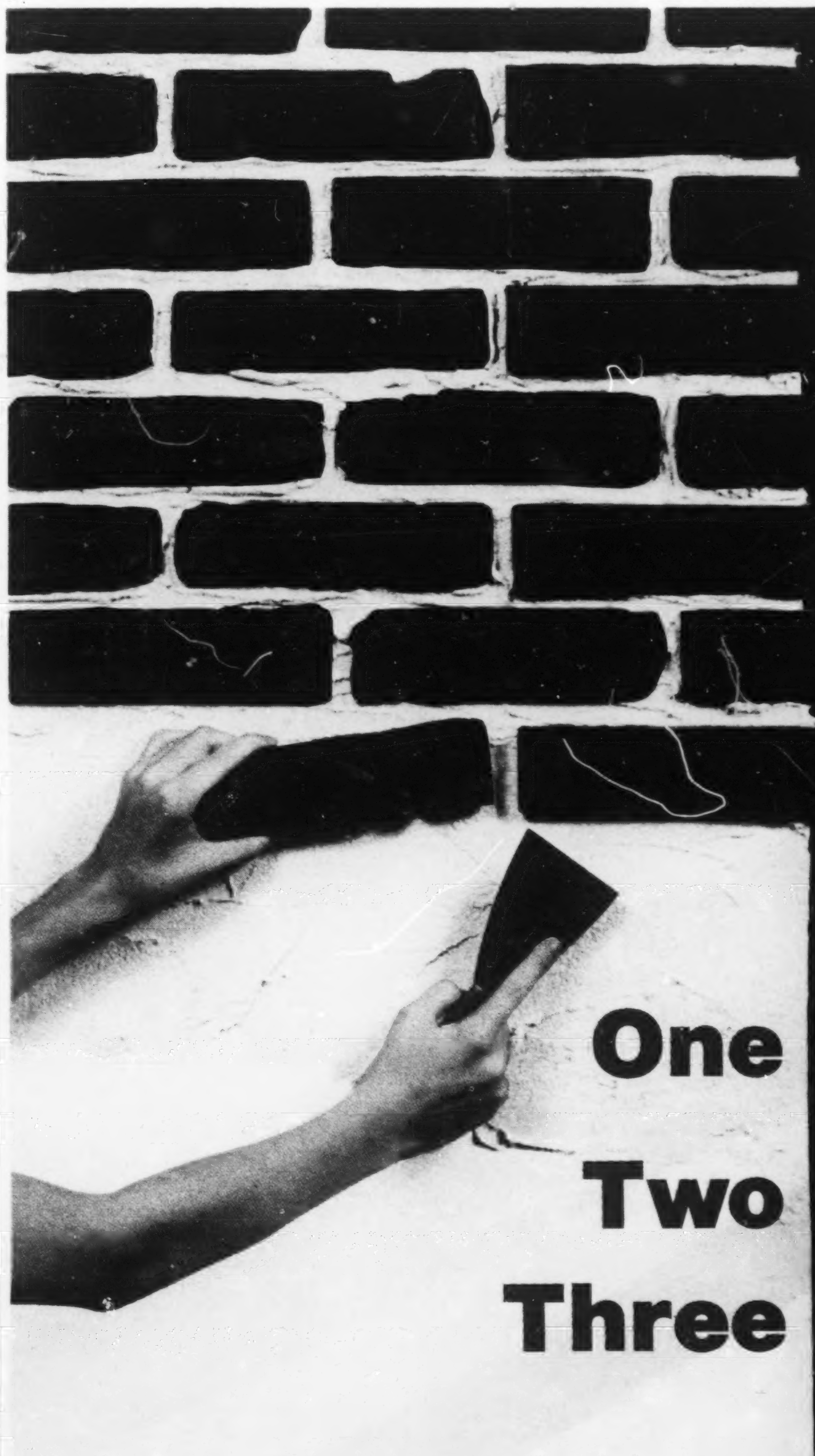
Another aspect of panelized construction, called precut home construction, includes housing packages such as log and geodesic dome houses. These kits are relatively inexpensive because they include only the materials and directions for the shell of the house, and could, when completed, cost as much as the owner chooses to spend.

In fact, the most attractive feature of manufactured housing, experts say, is the owner's ability to control housing costs without sacrificing quality.

"Consumers are more educated these days," noted Linda Parrish, assistant director of the Home Manufacturers Council of the National Assn. of Home Builders. "They recognize the factory-built units as strongly built with a high quality factor."

"If I moved into a $50,000 stick-built house it would be a cheap neighborhood and I didn't want that," commented J. Steen Jacobsen, section director of the Federation of Mobile Home Owners of Florida, a 200,000 member group. Speaking of his $50,000 mobile home purchased six years ago, Jacobsen added, "It's a home with every modern convenience including a social life."

Since all housing, other than mobile homes, is classified as new housing starts compiled by the U.S. Commerce Department, quantifying manufactured housing activity is difficult. Mobile home production, however, is measurable because of the national building code. According to the National Conference of States on Building Codes and Standards Inc., 278,426 units were produced for the first 11 months of 1984. In 1983, 276,493 units were produced.



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South Region Housing Starts by Market

MARKET	1983	1984				1985	ANNUAL DATA		
	IV	I	II	III	IV	I	1983	1984	1985
MIAMI, FLA.*	3,622	2,614	4,101	4,375	5,225	4,850	12,130	16,815	21,900
% change vs. previous year	36.6	26.8	7.0	49.8	72.9	85.5	56.7	38.6	30.2
Single family	1,350	1,497	2,015	1,475	1,625	1,750	4,996	6,612	8,150
% change vs. previous year	151.9	91.9	40.1	3.3	20.4	16.9	159.9	32.2	23.3
NASHVILLE-DAVIDSON	1,800	2,289	4,112	2,472	1,727	2,250	6,720	10,600	9,600
% change vs. previous year	173.6	112.7	150.6	12.2	(4.1)	(1.7)	207.0	57.7	(9.4)
Single family	224	350	348	235	227	350	1,252	1,160	1,100
% change vs. previous year	14.9	(3.8)	(0.3)	(25.4)	1.3	—	100.3	(7.3)	(5.2)
NEW ORLEANS, LA.*	3,054	3,542	3,058	2,070	2,050	2,400	13,632	10,717	8,725
% change vs. previous year	80.9	8.3	(21.3)	(39.5)	(32.9)	(32.2)	119.5	(21.4)	(18.6)
Single family	1,435	1,677	1,820	1,300	1,350	1,500	6,124	6,147	5,225
% change vs. previous year	32.2	57.0	(4.4)	(24.3)	(5.9)	(10.5)	68.8	0.4	(15.0)
NORFOLK, PORTSMOUTH, VA.	2,749	3,106	3,007	2,989	2,298	2,800	12,171	11,400	10,630
% change vs. previous year	20.3	18.0	(11.2)	(12.2)	(16.4)	(9.9)	105.7	(6.3)	(7.0)
Single family	1,310	1,620	1,643	1,430	1,307	1,500	6,239	6,000	5,600
% change vs. previous year	(2.8)	17.1	(8.6)	(18.1)	(0.2)	(7.4)	57.7	(3.8)	(6.7)
ORLANDO, FLA.*	5,090	6,090	6,230	5,830	5,810	5,530	19,840	23,960	20,900
% change vs. previous year	100.4	87.4	25.4	(10.7)	14.1	(9.2)	100.2	20.8	(12.8)
Single family	2,690	3,450	4,040	2,770	3,240	2,750	11,390	13,500	12,400
% change vs. previous year	48.6	62.0	21.3	(14.5)	20.4	(20.3)	76.9	18.5	(8.1)
SAN ANTONIO, TEX.	4,985	4,169	5,105	5,600	4,456	3,750	16,399	19,330	16,200
% change vs. previous year	(7.0)	40.0	45.9	12.4	(10.6)	(10.1)	—	17.9	(16.2)
Single family	1,402	1,906	2,505	2,700	1,400	1,850	5,082	8,511	7,900
% change vs. previous year	9.7	93.1	110.7	79.5	(0.1)	(2.9)	—	67.5	(7.2)

MARKET	1983	1984				1985	ANNUAL DATA		
	IV	I	II	III	IV	I	1983	1984	1985
SARASOTA-BRADENTON, FLA.	1,800	2,170	2,100	1,730	2,010	2,157	7,570	8,010	8,500
% change vs. previous year	32.4	66.9	2.9	(28.8)	11.7	(0.9)	51.4	5.8	6.1
Single family	760	790	990	860	850	900	3,780	3,490	3,600
% change vs. previous year	20.6	1.3	(2.9)	(29.5)	11.8	13.9	56.2	(7.7)	3.2
TAMPA-ST. PETERSBURG, FLA.	6,377	7,397	7,883	7,411	7,546	7,112	24,609	30,237	27,111
% change vs. previous year	41.7	43.4	8.5	27.6	18.3	(3.9)	80.0	22.9	(10.3)
Single family	3,609	3,228	3,307	3,776	3,892	3,493	14,537	14,203	13,418
% change vs. previous year	62.8	3.0	(21.1)	4.8	7.8	8.2	111.3	(2.3)	(5.5)
WASHINGTON, D.C.*	8,541	7,641	9,496	8,994	7,000	5,800	31,886	33,104	27,100
% change vs. previous year	68.3	34.5	14.7	(4.3)	(18.0)	(23.8)	100.4	3.8	(18.1)
Single family	6,839	6,461	7,828	7,040	5,800	4,800	25,949	27,163	22,300
% change vs. previous year	47.1	32.1	10.9	(1.1)	(15.2)	(25.7)	82.5	4.7	(17.9)
WEST PALM BEACH, FLA.	5,183	4,332	5,617	6,550	6,575	5,400	18,270	23,074	25,750
% change vs. previous year	145.2	33.1	17.9	29.2	26.9	24.7	125.7	26.3	11.6
Single family	2,338	2,639	3,272	4,200	4,400	3,200	9,157	14,511	15,250
% change vs. previous year	87.5	64.6	33.9	51.5	88.2	21.3	101.1	58.5	5.1
SOUTH TOTAL	119,653	124,884	140,065	118,174	103,626	102,445	508,917	486,746	439,579
% change vs. previous year	29.6	9.6	(0.4)	(11.7)	(13.4)	(18.0)	63.7	(4.4)	(9.7)
Single family	61,445	65,676	74,809	63,846	58,031	57,016	266,850	262,362	246,614
% change vs. previous year	27.7	14.0	(2.1)	(10.6)	(5.6)	(13.2)	58.8	(1.7)	(6.0)

Parentheses denote % decrease
*Denotes Standard Metropolitan Statistical Area
Source: NAHB, from local reporting authorities

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West Region Housing Starts by Market

MARKET	1983 IV	1984 I	II	III	IV	1985 I	ANNUAL DATA 1983	1984	1985
ANAHEIM-SANTA ANA, GARDEN GROVE, CALIF.*	3,363	3,835	5,023	4,600	3,542	4,500	12,890	17,000	18,000
% change vs. previous year	103.9	61.2	33.0	36.5	5.3	17.3	144.6	31.9	5.9
Single family	2,495	2,129	3,180	2,800	1,891	2,500	7,457	10,000	10,000
% change vs. previous year	253.9	154.4	39.2	52.1	(24.2)	17.4	160.8	34.1	—
ANCHORAGE, ALASKA*	515	977	1,716	1,299	458	400	8,973	4,450	4,000
% change vs. previous.year	(50.9)	(56.4)	(51.7)	(51.2)	(11.1)	(59.1)	42.9	(50.4)	(10.1)
Single family	274	351	1,032	818	199	200	3,468	2,400	2,200
% change vs. previous year	(51.9)	(44.0)	(27.9)	(28.0)	(27.4)	(43.0)	12.5	(30.8)	(8.3)
COLORADO SPRINGS, COLO.*	2,932	2,587	3,452	1,614	1,150	975	10,805	8,803	7,300
% change vs. previous year	110.9	71.3	30.8	(56.6)	(60.8)	(62.3)	169.5	(18.5)	(17.1)
Single family	1,210	1,089	1,333	876	600	600	5,637	3,898	3,300
% change vs. previous year	10.0	(5.3)	(21.6)	(44.5)	(50.4)	(44.9)	67.3	(30.8)	(15.3)
DENVER-BOULDER, COLO.*	7,441	6,590	8,044	4,982	4,566	5,104	30,731	24,182	20,043
% change vs. previous year	5.3	6.3	(8.6)	(39.9)	(38.6)	(22.5)	61.8	(21.3)	(13.8)
Single family	4,784	4,701	5,063	3,405	3,196	3,573	22,176	16,365	14,590
% change vs. previous year	19.2	(5.3)	(20.2)	(43.8)	(33.2)	(24.0)	84.5	(26.2)	(10.8)
HAWAII	600	1,100	1,722	1,225	900	500	5,300	4,947	4,300
% change vs. previous year	(45.5)	10.0	32.5	(49.0)	50.0	(54.5)	3.9	(6.7)	(13.1)
Single family	500	1,000	1,133	1,041	500	400	3,200	3,674	3,300
% change vs. previous year	78.6	25.0	13.3	15.7	—	(60.0)	60.0	14.8	(10.2)
LAS VEGAS, NEV.*	2,732	2,982	1,980	2,433	1,400	1,600	12,712	8,795	8,200
% change vs. previous year	78.6	(6.2)	(38.1)	(31.1)	(48.8)	(46.3)	89.7	(30.8)	(6.8)
Single family	1,126	1,437	1,495	822	700	1,000	6,549	4,454	4,300
% change vs. previous year	12.0	(0.9)	(37.7)	(47.7)	(37.8)	(30.4)	93.8	(32.0)	(3.5)
LOS ANGELES, LONG BEACH, CALIF.*	8,268	9,433	9,247	8,000	6,320	8,000	27,367	33,000	32,000
% change vs. previous year	115.5	118.8	23.0	10.0	(23.6)	(15.2)	98.8	20.6	(3.0)
Single family	2,472	3,446	3,812	3,000	2,242	3,000	9,799	12,500	12,000
% change vs. previous year	80.0	89.4	14.4	37.9	(9.3)	(12.9)	126.7	27.6	(4.0)
PHOENIX, ARIZ.*	11,300	16,000	17,500	14,600	13,700	12,700	46,000	60,000	42,500
% change vs. previous year	32.9	61.6	8.3	41.7	21.2	(20.6)	104.4	30.4	(29.2)
Single family	4,300	6,000	5,700	4,600	6,200	6,200	21,000	22,500	22,500
% change vs. previous year	(4.4)	27.7	(18.6)	(8.0)	44.2	3.3	68.0	7.1	—

Parentheses denote % decrease
*Denotes Standard Metropolitan Statistical Area
Source: NAHB, from local reporting authorities

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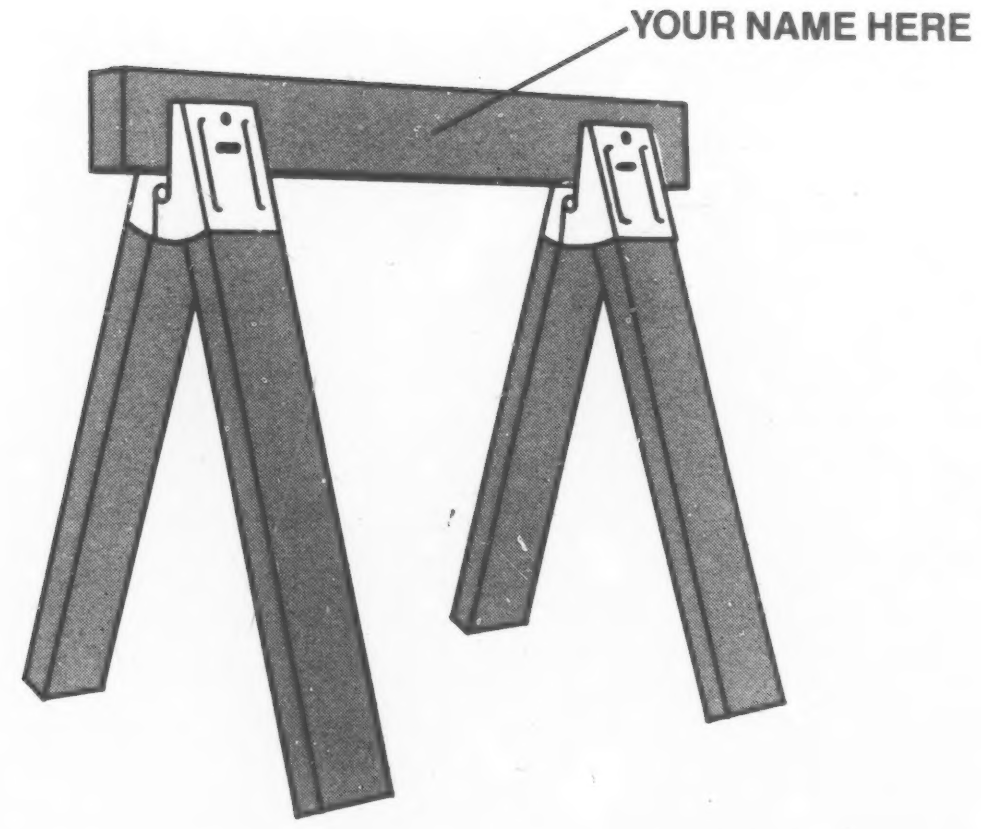

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Brochure offers designer options

WASHINGTON — A new publication from the Department of Housing and Urban Development (HUD) called Designing Affordable Houses, shows builders and designers of homes ways to make dwellings less expensive.

It presents a wide variety of plan options available to designers of compact houses. Concentrating on single-family, single-story detached houses with an area of less than 1,200 sq. ft., the plans are adaptable to split-level or split-entry design with the addition of a staircase.

Variations in the basic room components and floor plans are diagrammed according to size, proportion and their relationship to each other. Arrangements of four popular plan styles are included.

Although directed primarily toward designers, this publication could be of use to any individual interested in the design of moderate cost housing, according to HUD.

Designing Affordable Houses, stock number 023-000-00702-9, costs $1.75. Prepayment should be sent to Dept. 36-HW, Superintendent of Documents, Washington, D.C. 20402. To order by MasterCard or Visa, call 202-783-3238.

FOR THE RECORD

Power equipment shipments increase

WASHINGTON — Walk-behind power mower, lawn tractor, riding mower, riding garden tractor and rotary tiller shipments increased 12.8% during the 12 months ended Aug. 31, 1984, according to figures recently issued by the Outdoor Power Equipment Institute here.

Lawn tractor and riding mower shipments had the most significant growth, with an almost 24% increase over 1983, with 856,000 units shipped compared to 691,000 the previous year.

Walk-behind power mower shipments were up 12.5% to 4.95 million units shipped from 4.4 million, and riding garden tractor shipments were up 18% to 152,000 from 129,000 the year before.

West Region Housing Starts by Market

MARKET	1983 IV	1984 I	1984 II	1984 III	1984 IV	1985 I	ANNUAL DATA 1983	ANNUAL DATA 1984	ANNUAL DATA 1985
RIVERSIDE, SAN BERNARDINO-ONTARIO, CALIF.*	6,806	7,119	10,756	8,500	7,625	9,000	24,604	34,000	36,000
% change vs. previous year	140.0	95.7	32.6	40.3	12.0	26.4	128.0	38.2	5.9
Single family	4,832	4,957	5,420	5,000	4,623	5,000	18,416	20,000	20,000
% change vs. previous year	108.0	[illegible]	(8.3)	9.2	(4.3)	0.9	122.6	8.6	—
SACRAMENTO, CALIF.	2,876	2,574	2,971	3,092	2,765	2,200	11,334	11,402	12,750
% change vs. previous year	133.3	17.3	(9.3)	4.1	(3.9)	(14.5)	135.3	0.6	11.8
Single family	1,824	1,824	2,129	1,558	1,450	1,500	7,512	6,961	6,750
% change vs. previous year	95.8	16.5	1.8	(23.3)	(20.5)	(17.8)	114.9	(7.3)	(3.0)
SAN DIEGO, CALIF.*	5,534	7,202	5,760	5,695	4,500	7,500	20,078	32,157	23,600
% change vs. previous year	114.2	103.1	24.3	(10.5)	(18.7)	4.1	192.3	15.3	11.9
Single family	2,635	3,242	2,750	2,825	2,500	3,500	10,041	11,317	11,600
% change vs. previous year	138.0	77.6	6.9	(6.1)	(5.1)	8.0	184.0	12.7	2.5
SAN FRANCISCO, CALIF.*	4,700	4,100	5,400	3,200	2,500	4,000	15,300	15,200	15,000
% change vs. previous year	108.9	105.0	14.9	(17.9)	(46.8)	(2.4)	70.0	(0.7)	(1.3)
Single family	2,800	2,500	2,500	2,000	1,500	2,500	9,500	8,500	9,000
% change vs. previous year	107.4	127.3	(16.7)	(20.0)	(46.4)	—	104.3	(9.6)	5.9

Parentheses denote % decrease
*Denotes Standard Metropolitan Statistical Area
Source: NAHB, from local reporting authorities

MARKET	1983 IV	1984 I	1984 II	1984 III	1984 IV	1985 I	ANNUAL DATA 1983	ANNUAL DATA 1984	ANNUAL DATA 1985
SEATTLE-EVERETT, WASH.*	2,980	3,790	4,270	4,530	3,460	3,600	14,110	16,050	15,200
% change vs. previous year	34.2	39.9	8.2	8.9	16.1	(5.0)	63.9	13.7	(5.3)
Single family	1,640	2,040	2,350	1,850	1,480	1,800	8,020	7,720	7,200
% change vs. previous year	30.2	15.3	(7.8)	(10.2)	(9.8)	(11.8)	99.0	(3.7)	(6.7)
TUCSON, ARIZ.*	2,300	3,900	4,000	2,900	2,400	2,400	12,100	13,200	9,900
% change vs. previous year	76.9	16.4	29.0	(13.4)	4.3	(38.5)	93.6	9.1	(25.0)
Single family	700	900	700	800	900	900	3,600	3,300	3,300
% change vs. previous year	—	(5.3)	(36.4)	(5.9)	28.6	—	60.0	(8.3)	—
VALLEJO-FAIRFIELD, CALIF.*	350	500	900	600	600	750	2,150	2,600	3,000
% change vs. previous year	(44.0)	—	—	50.0	71.4	50.0	22.2	20.9	15.4
Single family	300	350	600	400	400	500	1,800	1,750	2,000
% change vs. previous year	—	—	(25.0)	14.3	33.3	42.9	63.6	(2.8)	14.3
WEST TOTAL	74,506	87,194	99,801	84,210	67,614	74,320	302,125	338,819	303,806
% change vs. previous year	56.5	53.5	13.7	1.1	(9.3)	(14.8)	90.4	12.1	(10.3)
Single family	38,924	43,626	48,544	39,134	34,596	34,506	168,429	165,900	160,418
% change vs. previous year	41.7	34.9	(8.4)	(11.5)	(11.1)	(9.4)	88.7	(1.5)	(3.3)

Parentheses denote % decrease
*Denotes Standard Metropolitan Statistical Area
Source: NAHB, from local reporting authorities

Alexander sets grand reopening

(Continued from page 3)

lend themselves to being remodeled into home center outlets, the company seems happy with its stance in small town America, which developed over the years since it was founded in 1891.

The company has no plans to move into cities larger than Joliet, where it opened a 12,000-sq.-ft. unit in June 1983. The city has a population of 78,000, and a metropolitan population of 381,000 making it the 110th largest metropolitan area in the country, according to Sales and Marketing Management's 1984 Survey of Buying Power.

Managed by 30-year Alexander Lumber veteran Ron Migliorini, the Joliet store has a mezzanine balcony with kitchen cabinet displays, a feature the company may include in its future stores if consumers respond to it in Joliet.

While the company is looking to lend more of a balance to its consumer-contractor business mix, it does not intend to pursue a vigorous expansion policy or increase its volume beyond what Agee called "the normal increase with inflation."

Agee added that his company was "looking at acquisitions continuously," but that the company would keep more or less the same number of total units in its mix, in order to avoid having to increase the extent of its current personnel structure, including its arrangement of regional managers.

Agee expected company volume to increase by some 25% to 35% over the next five years, which would put the chain in the range of $63 million to $69 million.

"Business was considerably better" three years ago, in the contractor end of things, noted Agee, in explaining why the company did not get started on its program at that time. "Our emphasis at that time was on taking care of business, with the idea of doing renovations and upgrading later on."

Today, added Agee, "more and more people are attuned to tackling do-it-yourself projects. There is more literature available, books and television programs. There's more education going on for the consumer."

GOOD VALUE.

JX-7® wood windows and patio doors give you name brand quality at significantly lower cost. That's good value and good business. You can sell JX-7 styling and energy efficiency and take a higher profit margin. Or, you can pass the cost savings on and use the lower prices to be more competitive and increase your volume. And JX-7 products are nationally distributed but regionally produced so you can be sure of continued availability and fast delivery, even in boom times.

GOOD BUSINESS.

**Call David Lindgren
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WENCO
JX-7®
WOOD WINDOWS AND
PATIO DOORS

Consumers' crime fears spur high-end lockset sales

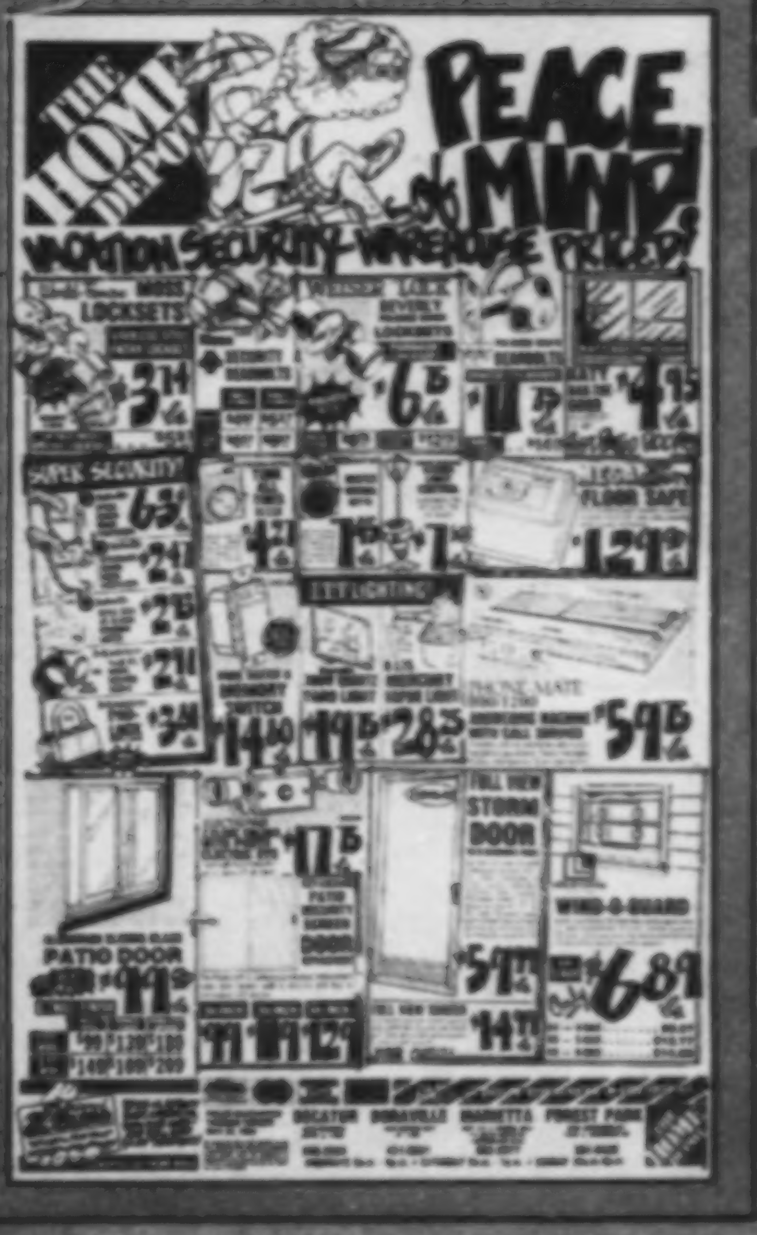
Dealers report they are finding an expanding market for higher-end locks and deadbolts as consumer's fears about crime lead them to purchase better quality merchandise.

Home center retailers note, however, that this product category continues to generate high turns, big volume and profitable margins, because it still is dominated by promotional merchandise manufactured overseas for domestic vendors and private labeled for chains.

Last year, the residential lockset market grew 12% to an estimated $400 million, of which two-fifths of all sales came through home centers, according to David Brunelle, marketing vp for Dexter Lock in Auburn, Ala., one of a slew of suppliers that include Moss Mfg., Schlage, Kwikset, Weiser, Weslock and National, which cater to the DIY market.

Several chains, including Builders Emporium, Ernst Home Centers and the independent Stripling Blake, realized sales gains in their lock program last year of between 20% and 50%. Other companies, including Payless Cashways, Mr. HOW Warehouse and O'Malley Lumber reported strong, though more modest, increases. These dealers expect equally strong growth rates in 1985, at margins that range from 40% to 45%.

(Continued on page 44)


THE HOME DEPOT
PEACE of MIND
VACATION SECURITY-WAREHOUSE PRICED!
LOCKSETS
SUPER SECURITY!
FLOOR SAFE
PATIO DOOR
STORM DOOR
WIND-O-GUARD

Home centers have seen high-end security hardware sales rise as a result of consumers' concerns over crime. The Home Depot has used a full-page ad promoting "Peace of Mind" as part of its security hardware advertising strategy. Shown above are shoppers in the lockset section of Home Depot's Orlando, Fla., store.

NHCN photo

Retail values of DIY and professional segment of residential security market

(Summer 1983)

DIY segment (Price paid)	No. of security equipped households	% of security equipped households	Median retail price	Retail value (in mil.)	% of total retail security market
Less than $50	480,000	9.0%	$ 25	$ 12.0	0.2%
$50-$100	370,000	6.9	75	27.8	0.4
$100-$200	190,000	3.6	150	28.5	0.4
$200-$400	740,000	13.8	300	222.0	3.1
DIY Total	1,780,000	33.3%		$ 290.3	4.1%
Professionally Installed (Price paid)	**No. of security equipped households**	**% of security equipped households**	**Median retail price**	**Retail value (in mil.)**	**% of total retail security market**
$400-$750	370,000	6.9%	$ 575	$ 212.8	3.0%
$750-$1,250	660,000	12.4	1,000	660.0	9.2
$1,250-$2,000	1,030,000	19.3	1,625	1,673.0	23.4
$2,000-$3,000	1,130,000	21.2	2,500	2,825.0	39.5
$3,000-$5,000	370,000	6.9	4,000	1,480.0	20.8
Total Professional	3,560,000	66.7%		$6,851.0	95.9%
Total retail	5,340,000	100.0%		$7,141.9	100.0%

Source: Frost & Sullivan: The Residential Security Market in the United States (market research report on electronic and battery-operated security devices); NHCN chart

Low-priced locksets, like these blister-packed items displayed at a Bowater store—now Home Depot—sold well in 1984 and look to have good turns in 1985. NHCN photo

The nation's home centers account for 40% of the replacement lockset market, according to some manufacturers. Shown here are a variety of locksets displayed at Rickel, Staten Island, N.Y. NHCN photo

Fear of crime sparks high-end lockset sales

(Continued from page 39)

These burgeoning sales have been driven, in part, by more active efforts by law enforcement and government officials to publicize the need for the public to protect itself against crime.

In several regions, state and local building codes have been stiffened to require better security hardware on doors and windows of new homes, apartments, and multifamily dwellings. Insurance companies are regularly offering discounts on home coverage premiums if certain types of replacement locks and security devices are installed. And local police in some municipalities are using the electronic and print media to encourage good home security habits.

The need for increased awareness of home security is exemplified by the fact that although locking one's doors and windows is the commonest form of home security people practice, two-thirds of all residential burglaries occur when people leave entrances unlocked.

Some 2.5 million residential burglaries took place in 1983 alone, accounting for 21% of all property thefts, according to the F.B.I.

"Our best-selling lockset item matches Austin's city code which specifies a 1-in. diameter deadbolt with cold roll steel insert, that is hacksaw-proof," said Richard Cole, a buyer for Stripling Blake in Austin, Tex.

This single store operation carries 150 stock keeping units of locksets, priced between $12 and $45, with $20 being the average purchase. This merchandise is stocked in a decorative hardware department that was expanded last year at a cost of $80,000, and which saw its sales rise 27% in 1984.

Another chain that has witnessed surprising sales of higher-end locks and deadbolts is the 21-unit O'Malley chain in Phoenix. Along with its low-end promotional lines, whose sales have grown steadily, O'Malley also sells locksets retailing for $30 to $50, which are moving at a pace of 12 to 20 units

(Continued on page 45)

NIGHT EYE
PHOTOELECTRIC EYE LAMP CONTROL

THREE WAYS

They're all part of the Schlage Great Spring Hardware Promotion. And they're all designed to move products off your racks. And put profits into your pocket. To help you sell out faster, we're supporting the promotion with eye-catching displays. So read on and find out how Schlage can help you rack up the sales.

1 FREE CRIME STOPPER.

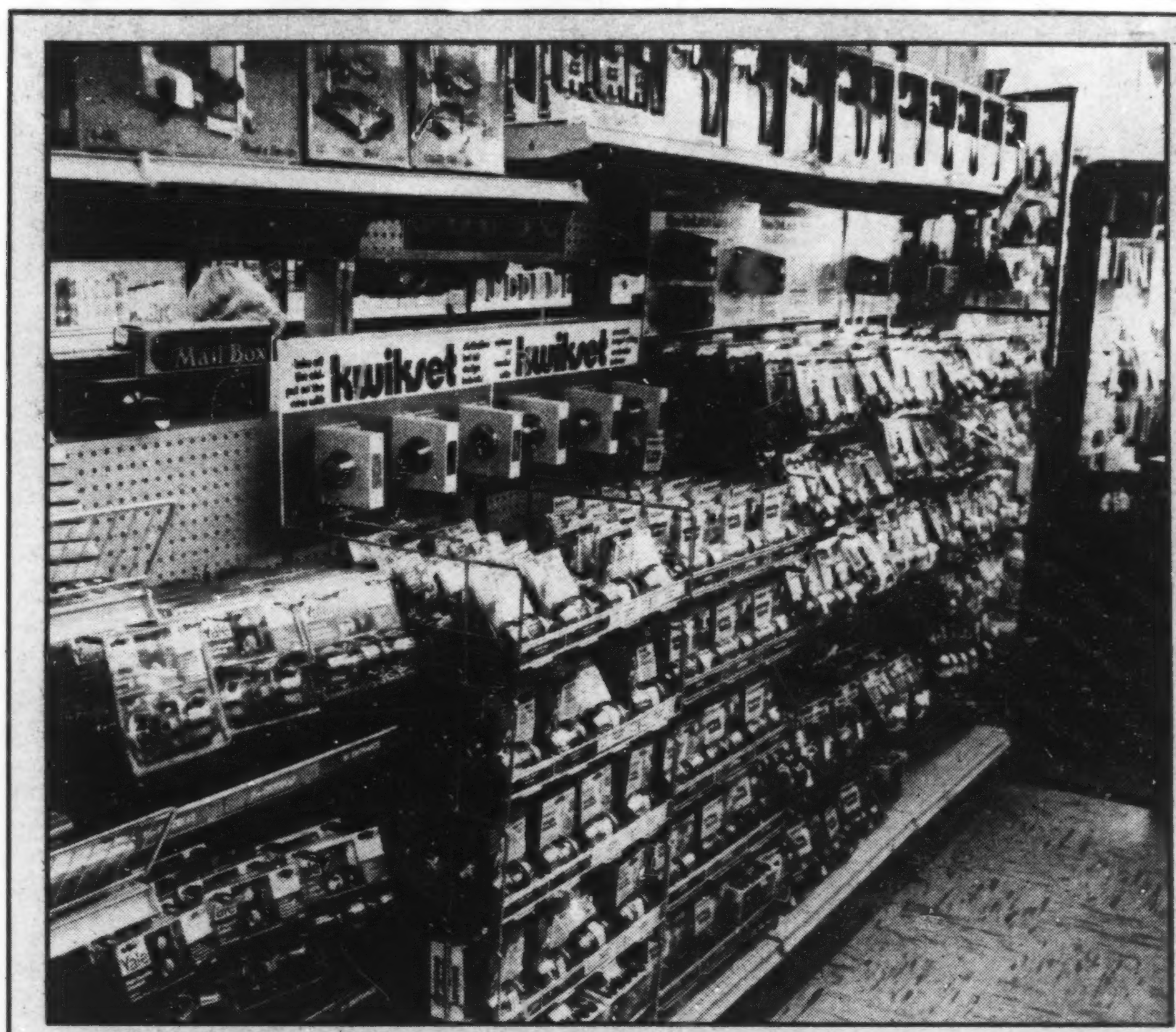
It's valued at $7.95! And Schlage will send this security device to your customers absolutely free when they buy any Schlage keyed lock.* The Night Eye™ helps prevent crime by automatically turning outdoor or indoor lights on at dark and off at dawn. And it screws right into standard light sockets.

*One Night Eye™ per customer.

2 $25,000 GIVEAWAY.

Every customer in your store is eligible to enter Schlage's big $25,000 DIY Giveaway. Schlage will send each of 500 winners a $50 gift certificate, redeemable for any merchandise in your store.

The Schlage/NRHA consumer advertising campaign is designed to give your sales an even bigger push. The campaign will be seen in April *Better Homes and Gardens, Home Mechanix, Family Handyman* magazines, and on Network and Cable Television.



Kwikset and Yale locksets on display at Pergament's Norwalk, Conn., store: The Kwikset display has several styles merchandised to show how the locks work and how they are installed. To the left is a smaller Yale display. NHCN photo

Last year, the residential lockset market grew 12% to an estimated $400 million, of which two-fifths came through home centers. Several chains realized sales gain in their lock programs of between 20% and 50%. Forest City's selection of security hardware is shown here at one of its Chicago units. NHCN photo

TO SELL OUT.

3 SPECIAL TRADE DISCOUNT.

Enjoy this special limited-time discount on Schlage's new Double Security Set, complete with keyed lock and deadbolt. To help you promote the Double Security Set, Schlage offers a special 100% Co-Op Program, and a merchandising kit with point-of-sale materials.

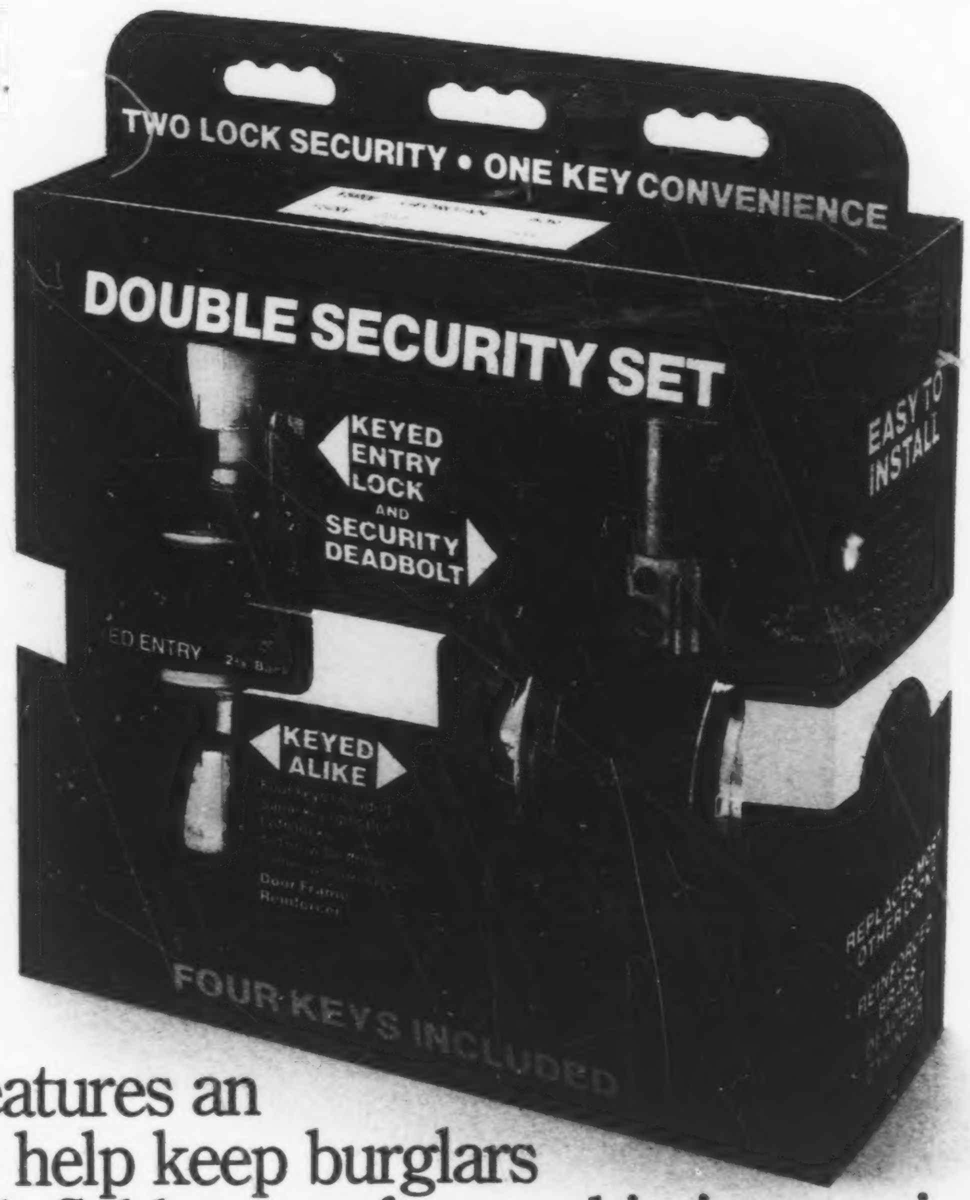
Schlage has been manufacturing high quality locks for over 60 years. Our deadbolt features an exclusive strike plate reinforcer to help keep burglars from kicking it in. But even though Schlage craftsmanship is superior, Schlage prices are competitive. And our comprehensive advertising program helps to build customer traffic throughout the year.

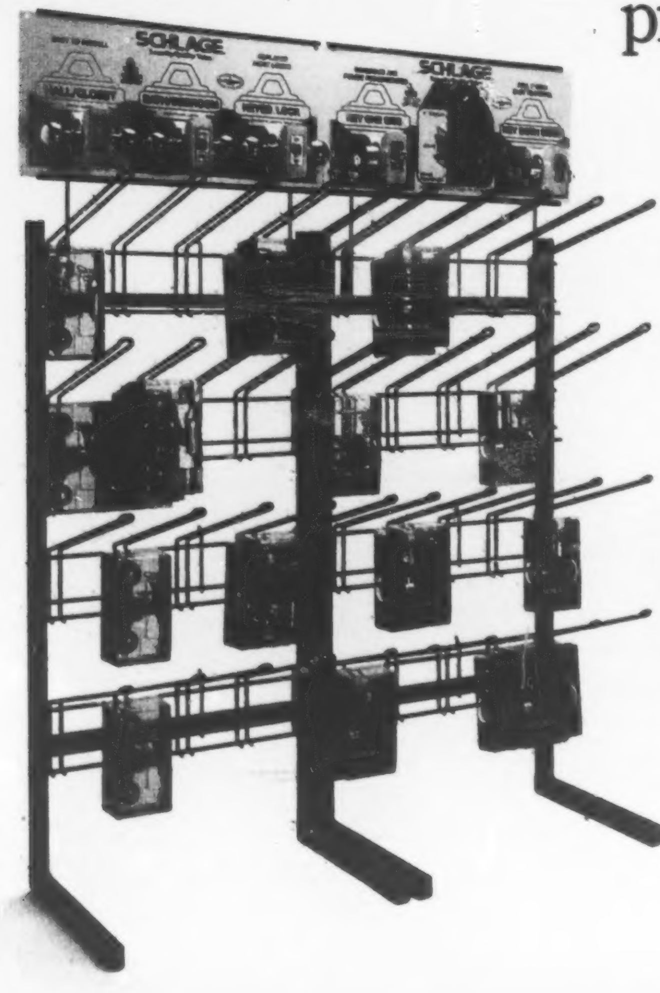
Call your Distributor or Schlage Representative today. And ask how you can take part in the Great Spring Hardware Promotion.

It's a great way to sell out.

SCHLAGE

Part of worldwide Ingersoll-Rand


TWO LOCK SECURITY • ONE KEY CONVENIENCE
DOUBLE SECURITY SET
KEYED ENTRY LOCK AND SECURITY DEADBOLT
EASY TO INSTALL
KEYED ALIKE
Door Frame Reinforcer
REPLACES MOST OTHER LOCKS
FOUR KEYS INCLUDED



High-end lock sales increase linked to crime

(Continued from page 44)

per store per week, compared to four or five per week a year ago, according to the company's general merchandise manager Steve Elliott, who could give no definitive explanation for this sudden customer preference.

One component of this consumer trend toward the higher end, as revealed in the Frost & Sullivan study, is that price plays a much less significant role in a consumer's buying decisions than do a product's "reliability."

Home Depot stressed that psychological approach in an ad last spring that blared "Peace of Mind" and displayed a wide variety of security hardware including locks. The prices were "warehouse"—Moss locksets, $3.14; Weiser single cylinder, $11.75.

Indeed, other companies not professing to be that strong at the high end, like Builders Emporium, enjoyed robust lockset sales in 1984. The 62-unit chain, based in Irvine, Calif., saw its volume in locksets grow by 50% in 1984. The chain currently stocks this merchandise on a 48-ft. gondola run, and sells locks and deadbolts at prices ranging from $6.99 to $19.99.

A similar sale pattern has emerged at Ernst Home Centers, based in Seattle. The 68-unit chain saw its security lock sales rise from 20% to 30%, according to a company spokesman.

Those companies located in rural markets, however, did not experience the same kinds of sales growth in this product category as the rest of the industry. Chains contacted by *NHCN*, including The Paty Co. in Piney Flats, Tenn., and Lampert Lumber, based in St. Paul, Minn., but with stores in many rural Midwestern markets, had only marginal volume gains.

Lack of demand could be one explanation for this, as the crime rates in rural areas are considerably lower than in urban and suburban districts. The Frost & Sullivan study notes that the burglary rate for rural areas is 79 per 10,000 households, compared with 186 per 10,000 in cities and 121 per 10,000 in the suburbs.

• Ad Angles—page 56

Television becomes scene of battle for market share

NATIONAL REPORT — The Television Bureau of Advertising's (TVB) vice president of local sales, Bob Baker, said earlier last year that as more home centers compete with each other in any given market, and the industry itself begins to mature, the resulting battle for market share will be fought more and more on television.

According to New York-based TVB's most recent figures listing the leading television home center advertisers over the first three quarters of 1984, Baker's prediction is coming true.

There was a 35% spending jump to almost $21 million, with every home center chain on the list now spending over half a million dollars during the first three quarters of 1984.

In addition, a third warehouse chain—Homecrafters—has entered the list of home center big spenders, while Wickes Lumber spent almost 1,000% more on TV ads, West Building Supply over 800% more and Edward Hines Lumber joined the TVB list for the first time.

Although Wickes' vice president of advertising, Michael Sitrick, would not comment on the expenditure figures of either Wickes Lumber or Builders Emporium (which were down), he did add that both chains adopted a "more aggressive stance" in 1984. "We are going for quality more than quantity now," he added.

Wickes hasn't been the only chain going through changes, which were reflected in advertising expenditures, last year. Atlanta-based West Building Materials started adopting increased centralization, merchandising and advertising changes in 1984 (*NHCN*, Aug. 27, 1984). Although no one at West would comment on the expenditure increases, they could be attributed to these changes.

Chicago-based Edward Hines Lumber joined the list for the first time in 1984, and here, although no one at the company would comment on the change, the increased competition in Chicago is possibly behind the expenditure growth.

As an example of what is happening in Chicago, Forest City added warehouse stores backed up by heavy TV advertising during the spring and summer. Handy Andy began advertising on TV for the first time in 1984's first half. Courtesy started putting on institutional ads, while Builders Square entered the Chicago market during 1984's fourth quarter.

Increased competition in the Florida and Washington, D.C. markets in 1984 also may account for Scotty's and Hechinger's increased ad expenditures last year.

Although by Wickes and West's standards the increases are not spectacular, Scotty's spending increased over 50% and Hechinger's by 79% during the first three quarters of last year.

The Home Depot seems to have established itself near the top in TVB's last couple of quarterly ad expenditure announcements; and, the other two warehouse chains that are now among the leading home center TV advertisers showed sharp increases in ad spending during the first three quarters of 1984.

Pelham, Ala.-based Homecrafters had a 390% expenditure increase in Memphis and Denver, and Builders Square (formerly Home Centers of America) showed a 220% increase in San Antonio.

Homecrafters' increased expenditures may reflect growth in store count. It did not open its first warehouse store in Memphis until November 1983, and had five warehouse stores by September 1984. However, Home Centers of America maintained four stores in San Antonio throughout 1984.

TVB compiles its list from ad expenditures figures supplied by Broadcast Advertisers Reports (BAR), which monitors the top 75 TV markets on a 1-in-4 week basis. This means that expenditure figures can be off the mark, if any major TV ad campaign was made within a three-week period when BAR was not monitoring that market. Also, the figures do not include co-op ad dollars, which are credited to manufacturers.

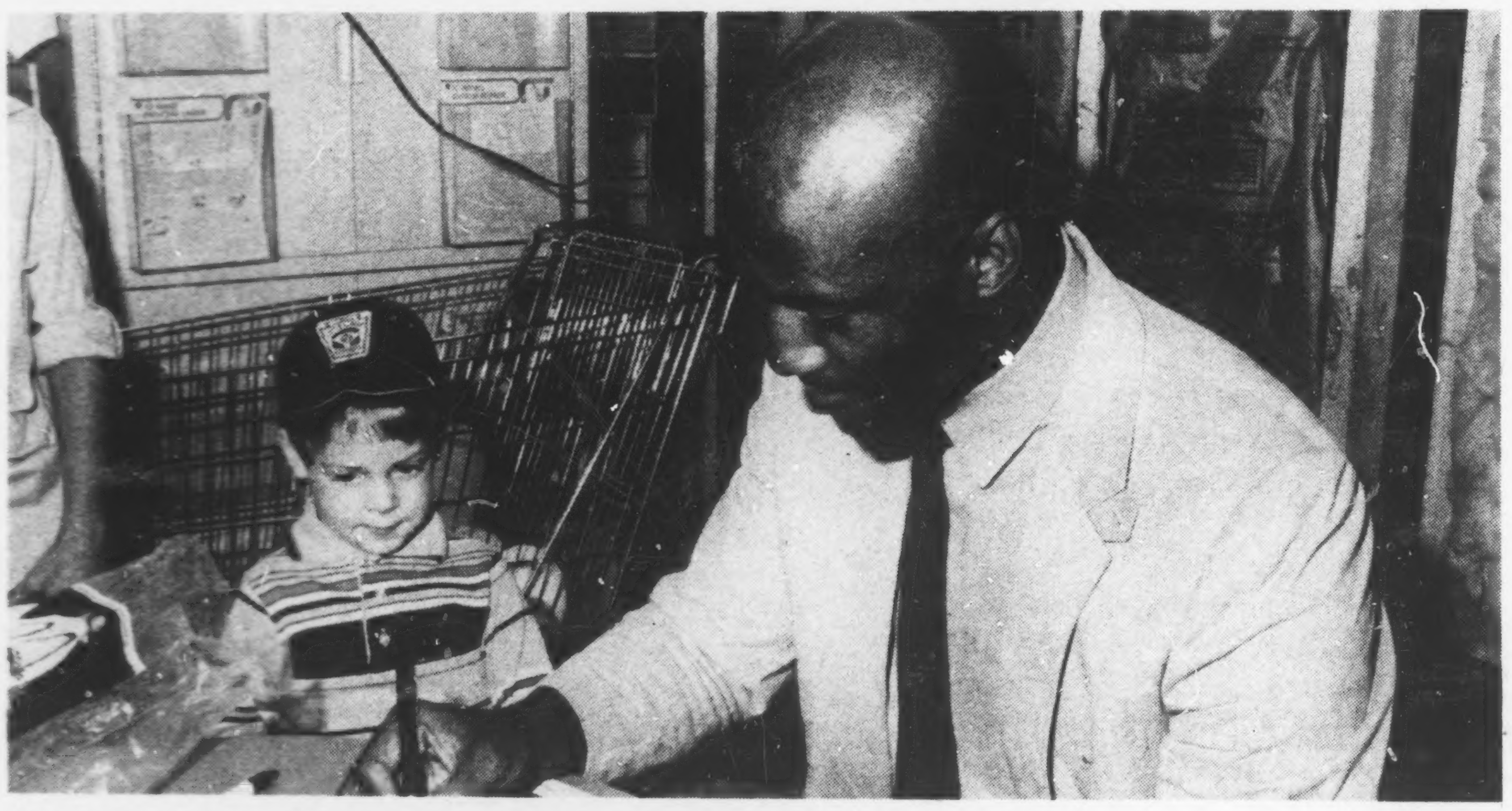
TV advertising expenditures 1st 9 months of 1984

Chain	Market	Expenditures		
		Jan./Sept. '83	Jan./Sept. '84	% Change
Payless Cashways	**Multimkt.**	**$ 3,727,500**	**$ 4,179,500**	**+ 12.0%**
Payless Cashways Furrows Lumberjack	Multimkt. Multimkt. Fresno, Sacramento	1,866,200 1,387,800 473,500	2,076,700 1,523,200 579,600	+ 0.8 + 9.8 + 22.4
Sutherland Lumber	Multimkt.	1,866,200	2,060,700	+ 10.4
Wickes	Multimkt.	1,892,500	1,872,200	– 1.0
Builders Emporium Wickes Lumber	Los Angeles Multimkt.	1,842,100 50,400	1,325,700 546,500	– 28.0 +984.3
Home Depot	Multimkt.	1,274,700	1,723,200	+ 35.2
National Lumber	Los Angeles	1,179,300	1,426,000	+ 20.9
Lowe's	Multimkt.	1,033,000	1,398,400	+ 35.4
Scotty's	Multimkt.	887,000	1,335,800	+ 50.6
Hechinger Lumber	Multimkt.	591,400	1,056,100	+ 78.6
Plywood Minnesota	Multimkt.	930,700	939,800	+ 1.0
Builders Square/ Home Centers of America	San Antonio	245,800	798,500	+224.9
Ole's Home Centers	Los Angeles	390,800	650,700	+ 66.5
Mr. Goodbuys	Baltimore, Philadelphia	531,200	621,100	+ 16.9
Menard Cashway	Multimkt.	449,300	605,700	+ 34.8
Edward Hines Lumber	Chicago	0	597,000	—
Scotts Lumber & Garden	Multimkt.	338,900	583,600	+ 72.2
Homecrafters	Denver, Memphis	113,700	557,700	+390.5
West Building Materials	Multimkt.	56,000	523,200	+834.3
Total for top spenders		$15,508,000	$20,929,200	+ 34.9%

Source: Television Bureau of Advertising, Broadcast Advertisers Reports; *NHCN* chart

Spending by the leading home center chain television advertisers jumped 35% to nearly $21 million during the first three quarters of 1984.

Home centers capitalize on insulation vendors' promos



Pittsburgh Steeler Mel Blount autographs photos at a Busy Beaver store during an insulation manufacturer's NFL jacket give-away promotion last fall.

NATIONAL REPORT — Home center retailers report 50% increases in insulation sales and gains in store traffic and total sales following fall promotions by the top three insulation manufacturers.

Owens-Corning, Certain-Teed and Manville are about to launch their winter and spring promotions, just as the promotional fervor of the fall was abating.

One of the reasons for this renewed onslaught of network television advertising is a trend by retailers away from stocking many brands of insulation to just carrying one brand, as former supply problems are erased.

This trend, discovered in the Brands Study conducted by *National Home Center News* last summer, was confirmed by numerous recent telephone interviews with dealers, who are the beneficiaries of the competition among manufacturers.

For example, the average customer purchase of insulation is a substantial $292, according to Owens-Corning's research, and an additional $406 is spent on other items, so insulation promotions build total sales.

"Our fall insulation sales were up 50% this year and we look for further increases in the spring," said Jack Segrave, insulation buyer with 25-unit Edward Hines Lumber in Chicago.

"October was a record month for insulation sales. We met our corporate plan and exceeded it," echoed Greg Wessling, merchandising vp at Lowe's, the 243-unit chain based in North Wilkesboro. "In 1984 we held truckload sales in every region."

The new round of promotions are set to begin next month. Manville will open its promotion on Feb. 8, changing from its former cash rebate policy to giveaways. Customers purchasing a minimum of 10 rolls of Manville Gold insulation will qualify for a Party Time cooler.

Owens-Corning will switch to giving away Polaroid cameras in February to customers purchasing 10 rolls of any kind of insulation, following its successful NFL promotion when it gave away over 135,000 football jackets.

CertainTeed, however, will remain with its "Buck a Bundle" rebate on each roll of insulation purchased. "We think cash is preferred by people," said Tom Newton, CertainTeed's manager of marketing communications.

CertainTeed, Owens-Corning and Manville paid 100% of retailers' print advertising costs during the fall promotion, compared with normal co-op payments of 60%, with a limit set at 2% of the value of insulation bought by the retailer.

Certain home centers boosted insulation sales still further with in-store appearances by sports personalities. Grossman's in Milwaukee, Somerville Lumber in Boston and Busy Beaver in Pittsburgh had National Football League players visiting their stores to autograph photos and footballs as part of Owens-Corning's NFL jacket giveaway.

Pittsburg Steelers Mel Blount and Ray Mansfield as well as Don Cockcroft of the Cleveland Browns visited three Busy Beaver stores.

"It was a positive promotion with insulation sales boosted by 40%-50%," said Mark McCully, advertising manager for Busy Beaver.

"Sales during the promotion weren't just limited to insulation," said Jan Svach, assistant manager of the Beaver Valley Mall store. "On the morning of Mel Blount's appearance our total sales were 33% over a normal Saturday."

Retailers made the most of national TV advertising by the vendors. "We tied in local store promotions with free coffee and doughnuts, and maybe a clinic," said Bill Hensler, merchandising vp at Wickes Lumber, Vernon Hills, Ill.

Home center retailers used a variety of tools, provided by the vendors, to draw customers into their stores. Both Certain-Teed and Owens-Corning provide ad slicks, radio scripts and step-by-step directions for holding truckload sales.

Vendors also offer incentives or "spivs" to retailers and distributors during promotions. Store employees, showing a color photo of a display of Manville insulation can enter a drawing for a Plymouth Voyager mini van, valued at $13,000.

Palmer G. Lewis, the wholesale distributor on the West Coast, offered retailers a Pendleton NFL blanket for each half truckload of insulation purchased, and sold 31 truckloads as a result of the promotion.

The question remains, however, whether the insulation market is becoming saturated in certain sections of the country. "Insulation sales are slowing in our area," said George McPeak, building materials manager with the Estate of George Snyder in Pennsylvania. "In the past it would take two hours to sell a truckload," he said. "Now it takes the rest of the day to sell the balance."

One solution lies in the development of new products like Owens-Corning's attic blanket, which was promoted in a "Pink and Pancake breakfast" recently conducted at Birmingham Lumber, a unit of Erb Lumber.

Store manager, Bill Peddicord served 160 customers with pancakes, sausage and hot coffee. "We sold 112 rolls of Attic Blanket in one day and more than 200 customers attended the workshops," Peddicord said.

Jeans Mfrs.

(Continued from page 13)

round of store/merchandise upgrading and at discounters' share of the jeans retail business before deciding to join the program, explained Gary Finkel, president of the company's recently formed new brands division.

It found 25% of all men's jeans' retail sales was done by discount stores. In addition, it was enthusiastic about the upscale image of the Reed st. James label.

To follow the Reed st. James licensed program, the Levi line, which will first be shown at the March men's wear show in Los Angeles, will be neither sharply priced nor exceptionally daring on the fashion side.

"It's a question of trade-up," he said of the retail pricing due for the collection, which he explained will be positioned at the top price level for most discounters.

On the fashion side, Finkel said the line will offer both basic and key fashion cuts in corduroy, twills and sheeting as well as denim fabrications. But he also said the target customer for the Levi line, like for other Reed st. James offerings, is older than the fashion-conscious young men's customer (aged 14 to 24). "We're targeting the 20-44-year-old, moving with the [national] rise in average age and focusing on that shopper's life style," Finkel explained.

New Moves

So far, discounters including Bradlees, Venture, Gemco, Clover and Richway have taken on part of the Reed st. James program, using it to make a coordinated presentation in dress-up coordinates. But, some of those chains and other discounters have more options including established private label programs, to address a more casual side.

For their part, buyers' initial reactions to Reed st. James was that they're still item shoppers: Few say they will take on a new brand and higher price points solely to create an upgraded image.

In ladies' and juniors' wear the idea of fashion seems to play a more important role than in men's. Price however, is still a major factor, reports one buyer with price lids in ladies' jeans at $19.99.

Wrangler's ladies' wear division's new strategy is to jump on new trends in bottoms and introduce its version as soon as possible—often between seasons instead of waiting for traditional buy-in periods, said Jack Watson, president of Wrangler ladies' wear.

Late last year, for example, the company shipped a new tropical print screened denim pants to both Blomingdale's and Bradlees. The pants retailed at $30 to $35 at both chains, giving the retailers margins in the 50% area, he said.

Although Watson admits the rest of the discount store industry is being more cautious than Bradlees on ordering the new trendier styles, he sees Bradlees as a "hallmark chain," setting the future direction for other discount chains.

But, with many chain buyers still capping price points in jeans at $20, ladies' bottoms buyers may opt for fashion-forward and sharper-priced programs from well-entrenched mass market brands including Gitano and Bon Jour, which also offer 40% to 50% margins.

Women's Jeans Buyers More Apt to Add SKU's

More women's jeans buyers are likely to add sku's this year than men's or children's jeans buyers, a recent *Discount Store News* survey revealed.

Responses from buyers and merchandise managers from 37 of the top 75 full-line chains revealed that although in each category a majority of buyers won't add jeans sku's, more women's jeans buyers are "very likely" to add jeans than buyers in the other two categories.

Over 34% of the ladies' wear buyers responding said they are "extremely likely or very likely" to add sku's compared with only 21% in men's and 28.6% in children's.

The highest percentage of buyers answering "not at all likely" to add jeans sku's came in children's wear where almost 57% answered negatively.

The survey further showed that jeans are seen primarily as a traffic draw in men's more often than in the other two categories.

Which of the following jeans are carried in your store?

Brand	Men's	Women's	Children's
Wrangler/Rustler	85.7%	68.6%	66.6%
Lee	89.3	88.6	95.2
Private Label	21.4	20.0	19.0
P.S. Gitano	*	62.6	23.8
Levi's	46.4	42.9	28.6
Bon Jour	*	20.0	*
Jordache	21.4	28.6	19.0
Sasson	*	20.0	—
Long Haul	10.7	*	*
Jou Jou	*	2.9	—
Calvin Klein	3.6	31.4	—
Gloria Vanderbilt	*	31.4	—

*—Not stocked. * No line for that department.*

Source: DSN survey.

What is your primary reason for stocking jeans?

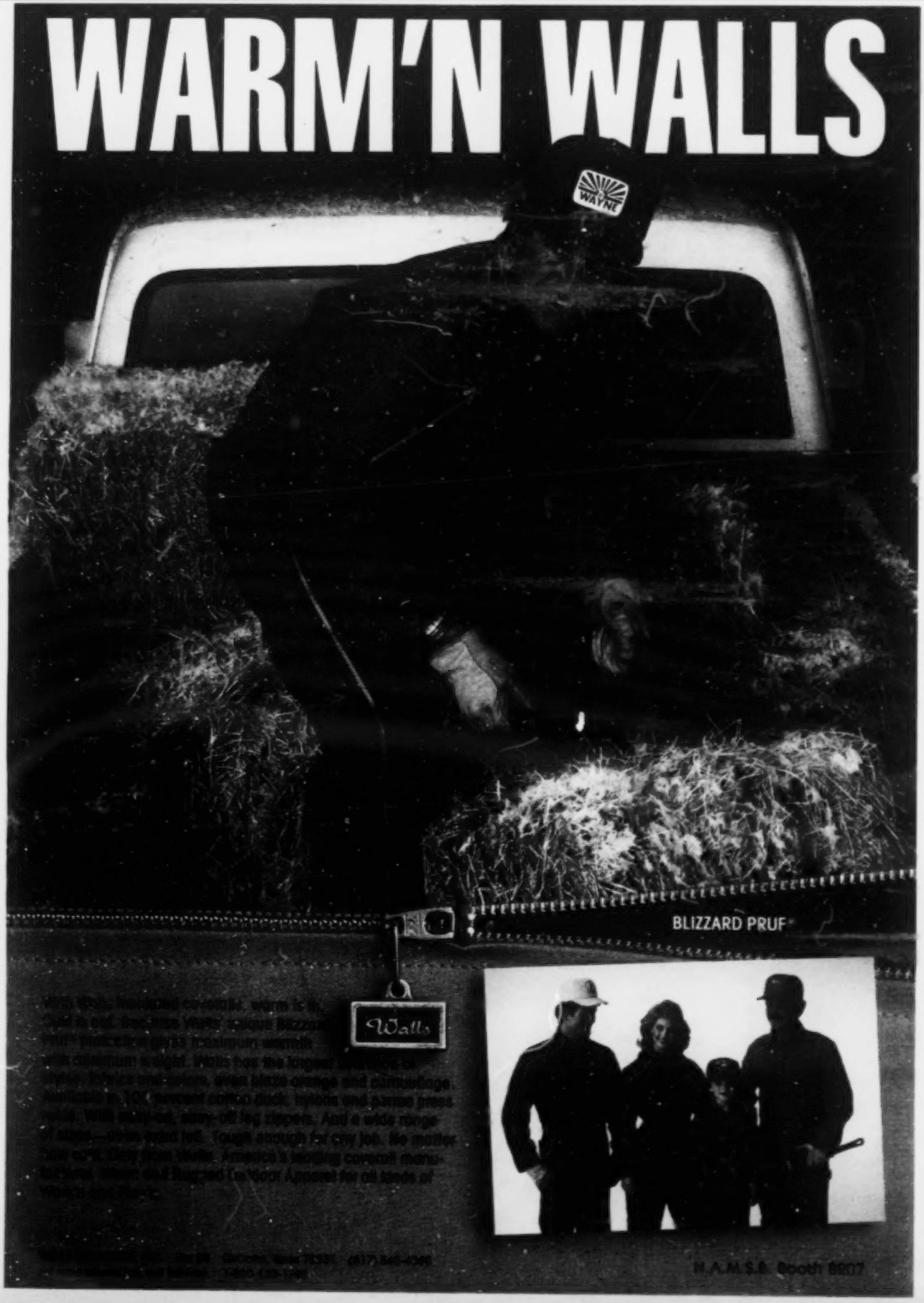
Primary Reason	Men's	Women's	Children's
Gross Margin	3.6%	2.9%	4.8%
Attract Traffic	57.1	42.6	52.4
Both Equally Important	39.3	54.3	42.9

Source: DSN survey.

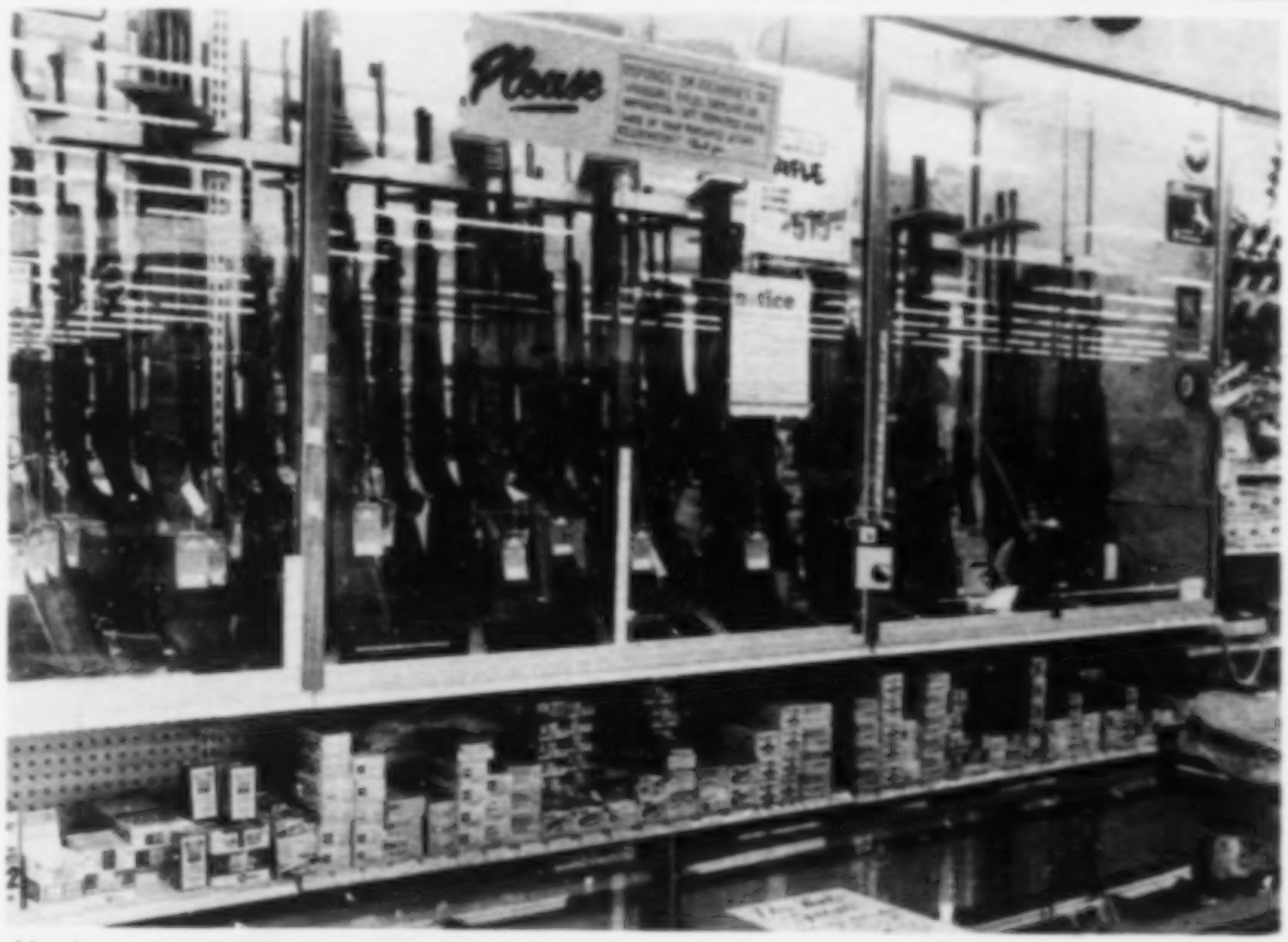
Will your store increase its sku's in the jeans category?

Response	Men's	Women's	Children's
Very Likely	21.4%	34.3%	28.6%
Somewhat Likely	25.0	25.7	14.3
Not At All Likely	53.6	40.0	56.9

Source: DSN survey.



SPORTING GOODS SHOW



Northwest retailer Pay Less Drug takes a major position in sporting goods in its stores, including stocking rifles, handguns and ammunition. (DSN photo)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	FISHING			
1	Keeper Bait Fish Formula	60,000	7.99	479,400
2	South Bend Fishing Asst	18,000	9.99	179,820
3	Zebco 202 & 4020 SC Combo—1245	14,500	10.99	159,355
4	South Bend Poly Spin Combo—C730/2345	4,700	28.99	156,546
5	Zebco 404 & 4040 SC Combo—1545	9,800	14.99	146,902
6	Daiwa Mini Cast System—MC238	3,600	25.99	93,564
7	South Bend Boron Rods—9000	2,200	39.99	87,978
8	South Bend Graphite Rods—6000	3,700	19.99	73,963
9	Garcia King Fisher Spin Combo—43/2250Z	3,650	17.99	65,664
10	Plano 3 Tray Tackle Box—6303	5,400	11.99	64,746
	ATHLETIC & HUNTING ACCESSORIES			
1	Crosman Powermaster BB/Pellet Gun—760	1,900	32.99	62,681
2	Indian Trophy Cam Bow—A255	495	114.95	56,900
3	Tasco 7X35 Wide Angle Binoculars—2001	1,280	42.99	55,027
4	Camo Stool w/Game Bag—FS6	3,840	13.99	53,722
5	Outers Gun Cleaning Kits—477/8/9	6,350	6.99	44,387
6	Camo T-Shirts—29510	6,800	5.99	40,732
7	E-Z Mount Gun Rack—100	4,600	6.99	32,154
8	Vichek Shot Gun Shell Box—5254	2,650	11.99	31,774
9	Tonka Toaster—SSL55	4,240	6.99	29,638
10	Wilson Mark Aguirre Basketball—B1325	1,640	17.99	29,504
	FIREARMS			
1	Remington 12ga Auto Shotgun—5336	1,140	399.99	455,989
2	Winchester 12ga Pump Shotgun—G120385R	2,900	149.99	434,971
3	Ruger 22cal Auto Carbine—10/22RB	3,355	115.99	389,146
4	Marlin Lever Action Center Fire Rifle—336CS	1,600	216.99	347,184
5	H&R Single Shot Shotgun—088	5,400	59.99	323,946

Source: Figures, supplied by Maurice Sporting Goods, Chicago, cover the fourth quarter of 1984. Maurice distributes to 31,000 stores, 72% of them discount stores, in 36 states. Prices reflect average price points of discount clients.

Stocks Low After Yule Sell-through

By FRANK J. KATLIN
Executive vice president,
Maurice Sporting Goods

PRODUCT MOVEMENT AUDIT

A strong Christmas selling season has the sporting goods industry optimistic for a successful 1985.

While many retailers approached last fall with extreme caution, the excellent Christmas selling period has reduced inventory levels to allow an aggressive approach for 1985.

The fall hunting and firearms business was strong, although manufacturers had some difficulty meeting the retail demand.

As a result, highly promotional guns and ammunition were not available at key periods during the fall. The Marlin 60S was again the leading promotional rifle in 1984. Many retailers advertised it at $79.99 along with the Winchester Ranger Shotgun at $149.99. These were the two leading firearms in 1984.

Physical fitness items remained strong at Christmas for the leading retailers as the trend toward individual exercise continued.

The leading sellers were the Diversified Products Gym Pac, retailing at $249. The Ajay exercise bicycle was popular, retailing at $79.99. Many retailers promoted rowing machines successfully with $99.99 being the most popular price point.

The exercise business, while very competitive among retailers, still remains a leading area of promotion during key selling periods.

Fishing tackle, where promoted, was very strong at retail this past Christmas.

Where retailers featured rods and reels, strong sales resulted. Packaged combinations were featured and did very well in key ads at Service Merchandise, Sears and Richway.

Overall, Christmas concluded a strong year in fishing tackle sales.

You are cordially invited to help us celebrate our

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THE BIG SHOW OF GENERAL MERCHANDISE

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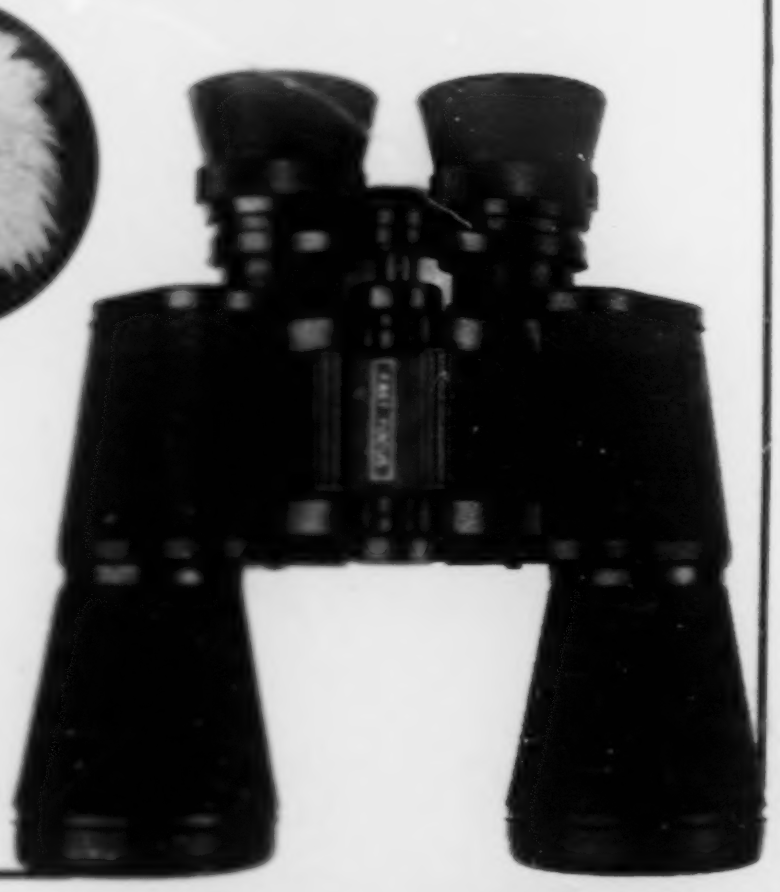
A Jason breakthrough in computer-designed optics ends frustrating "tunnel vision" for glasses wearers and gives them the chance for normal binocular use.

WITHOUT 20/20s
Glasses wearer sees "tunnel" through regular binoculars.
Up to 50% less brightness.
Up to 50% less field of view.
100% frustration.

WITH 20/20s
Glasses wearer sees perfectly through extended eye relief Jason 20/20 binoculars.
100% brightness.
100% field of view.
0% frustration.



The secret's not in the eyecups. It's in the specially-designed high-quality optical system. Designed for wearers of glasses, sun glasses and shooting glasses. Also adjustable for non-glasses wearers. Three models. A very saleable market is waiting.

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BINOCULARS
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Information 913-888-0220. Toll-Free Orders 1-800-255-6366.

Top Brass's Salaries Fairly Constant From '83 to '84

NEW YORK — While salaries for top discount store industry management remained fairly constant from 1983 to 1984, executives in chains doing over $750 million won the largest salary increases: average salaries for presidents jumped over 12% in 1984 to $320,280 from $285,000 in 1983.

Chairmen's salaries averaged $418,750 at these chains last year, 30% more than the presidents', and more than double those of chairmen of smaller chains with sales of $150 million to $400 million. That group had an average salary of $174,000 in 1984.

The chairman of a medium-sized chain with sales between $400 million and $750 million earned an average of $247,940 last year.

These figures were reported in the 1983/84 study of "Compensation in Mass Retailing," conducted by the National Mass Retailing Institute (NMRI). The study was based on responses to multipart questionnaires distributed to over 53 companies operating 11,000 discount department stores in the United States and Canada and with collective 1984 sales of about $34 billion.

Predictably, chain size created wide differences in executive compensation beyond the top management ranks.

In the middle-management level, senior distribution executives in large chains earned an average of $94,660, more than twice the average $41,380 their peers earned in smaller chains.

The same held true for senior security executives. In 1984, the average salary for a senior security executive in a small chain was $37,040, less than half the salary of a counterpart in a large chain, who earned an average of $76,600.

However, in areas like operations, merchandising and store management, the larger chains did not always pay the highest salaries.

When average salaries for 1984 were not available in the survey, median salaries were substituted.

Thus, regional managers in medium-sized chains had a median salary of $86,100 in 1984, 44% more than the $59,610 (median salary) earned by a regional manager for a chain with sales over $750 million.

Differences in median salaries for district managers in both sizes of discount chains narrowed considerably. Middle-range salaries for district managers in the medium-sized chains were $47,200 in 1984 as compared to $43,800 in large.

In medium-sized chains, the general or senior merchandise manager, hard lines, was paid an average of $88,400 in 1983, or 5% less than the soft line-fashion senior/general merchandise manager, who earned an average of $93,420.

The opposite is true in large chains, which paid the same-level employee in hard lines an average of $95,740, and in soft lines an average of $86,410, or about 11% less.

Both small and large chains were more generous in handing out bonuses to merchandise personnel than medium-sized chains in 1983.

For example, the general/senior merchandise manager, hard lines, received a $24,300 bonus in a small chain and a $28,200 bonus in a large chain, but only $10,600 in a medium-sized chain.

In some cases, merchandisers in small chains earning lower base salaries than merchandisers in medium-sized chains brought in higher total salaries after bonuses. For example, hard lines buyers in small chains earned an average of $33,710 in 1983, and received $8,110 in bonuses for a total of $41,820. However, hard lines buyers in medium-sized chains earning an average of $37,200 for 1983 received only bonuses of $2,050, for an average total of $39,250.

Store managers in stores having sales over $9 million profited more on straight salary working for smaller chains than larger ones. In 1983, store managers in stores with over $9 million in sales earned average salaries of $40,970 in small chains, $38,600 in medium-sized chains and $36,970 in large chains.

Average Salaries of Senior Management of Discount Dept. Store Chains

Position	Chains Doing $150 Million-$400 Million 1983	1984	Chains Doing $400 Million-$750 Million 1983	1984	Chains Doing Over $750 Million 1983	1984
Chairman of the Board	$163,700	$174,000	$239,000	$247,940	$390,000	$418,750
President	183,920	191,780	205,000	213,000	285,000	320,280
Sr. Administrative Executive	102,400	104,920	128,600	132,460	158,450	171,350
Sr. Merchandising Executive	97,800	105,800	140,200	144,600	186,470	205,240
Sr. Operations Executive	81,600	83,510	118,250	121,400	149,280	171,900
Sr. Financial Executive	63,400	68,000	109,300	112,840	124,100	132,920
Sr. Advertising Executive	52,800	52,800	84,250	87,100	92,600	103,000
Sr. Distribution (Warehouse) Executive	40,020	41,380	75,600	78,370	84,640	94,660

Source: NMRI

Salaries of Merchandising Personnel In Discount Dept. Stores

Position	Chains Doing $400 Million-$750 Million 1983 Average	1984 Median	Chains Doing Over $750 Million 1983 Average	1984 Median
Gen./Senior Mdse. Mgrs.:				
Hard lines	$88,400	$92,660	$95,740	$83,800
Soft line fashion	93,420	97,310	86,410	79,000
Div./Category Mdse. Mgrs.:				
Hard lines	69,400	76,800	61,800	57,200
Soft line fashion	71,220	77,200	63,400	60,580
Soft line basics	67,310	68,840	57,680	60,300
Buyers:				
Hard lines	37,200	37,600	40,280	40,100
Soft line fashion	35,110	37,280	39,700	41,680
Soft line basics	32,600	33,900	38,990	37,400

Source: NMRI

Store Mgrs.' Salaries in Discounters Doing Over $9 Million

Discount Dept. Stores, by Sales	1983 Base	1983 Bonus
Under $150 million	$43,380	$1,400
$150 million-$400 million	40,970	6,680
$400 million-$750 million	38,600	3,000
Over $750 million	36,970	8,400

Source: NMRI

Salaries of Operations Personnel in Discount Dept. Store Chains

Position	Chains Doing $400 Million-$750 Million 1983 Average	1984 Median	Chains Doing Over $750 Million 1983 Average	1984 Median
Regional Mgr.	$83,940	$86,100	$69,960	$59,610
Regional Mdse. Mgr., Hard Lines	34,900	37,800	N/A	N/A
Regional Mdse. Mgr., Soft Lines	52,320	58,200	N/A	N/A
District Mgr.	42,380	47,200	42,410	43,800

NA—Not available.

Source: NMRI

7% Hike Seen In Pro-Level Hiring in '85

NEW YORK — Professional-level hiring in the retail trade is expected to increase an average 7.1% this year over 1984 levels because of continued industrywide store construction, remodeling and expansion, according to Roth Young Personnel Service, a New York-based firm specializing in retail placements.

From employment requests filed by more than 750 discounters, catalogers and off-price chains nationwide, Roth Young also found that overall 1985 retail salaries will top last year's levels by about 9% to 12%, reflecting both increased personnel demand and inflation.

The following are projected United States 1985 median salaries for high-demand positions in the merchandising management and buying categories, based on the employment agency's figures.

Merchandise managers for ladies' ready-to-wear are expected to earn median salaries

(Continued on page 54)

Higher-priced Computers May Find Discountland Home

(Continued from page 3)

"Atari seems to have forgotten it made video games. We were hurt before; what assurances will they give us this time around?"

In addition, if the ST computers are to be successful at mass merchandisers, the company will have to spend a great deal on advertising. Although advertising plans were not announced as of presstime, the slogan "Power Without The Price," which debuted at CES, appears to be the centerpiece.

Clearly, Atari's strategy is centered around price. Its new line—130 ST, 260 ST and 520 ST—ranges in price from $399 to $599 with model numbers referring to the amount of memory. The 130 ST has 128,000 characters of memory; the 520 ST, 528,000 characters.

Bundled with a disk drive and middle-line color monitor, the 130 ST, nicknamed "The Jackintosh," after its creator, will retail for about $800 compared with $1,800 for Apple's Macintosh.

Even though the Atari strategy is aimed at undercutting business leaders Apple and IBM, other chain buyers, particularly discounters, are questioning the viability of selling personal computers.

In light of a "fortune in markdowns" taken by retailers over Christmas, many feel it is, indeed, too great an investment gamble on low-margin items like computers. They also cite problems in servicing a more sophisticated area and point to a possible consumer backlash.

"Our consumer is a lot smarter than we give him credit for. We're looking at second-generation customers now. They're not buying a fad, they know what they want and they have a better understanding. The customers have paid the price for knowledge and they're not about to do it again," said John Dankwardt, buyer at Prange Way.

Several chain buyers feel the more sophisticated customer will opt to buy a higher-end personal computer at a specialty store like Computerland, where the whole store is completely dedicated to computers and its peripherals. Although possibly not as sharply priced as mass merchants, this type of store can offer other advantages including credit plans, a much larger software selection and an important intangible, time with the customer.

Finding both the time to spend with prospective customers and trained salesmen are problems many discount chains must wrestle with. But to many, these and other problems do not appear to be insurmountable.

"I wouldn't bet against Jack Tramiel. He's a fighter and a scrapper. I think a lot of people would like to see him fall on his face, but I wouldn't sell him short," said an executive at a major discount chain.

Zayre's 3rd BJ's Opens in Florida

HIALEAH GARDENS, Fla. — The Zayre Corporation has opened BJ's Wholesale Club here, following BJ's openings in Medford, Mass., and Johnson, R.I., earlier.

BJ's is a wholesale membership club closely modeled after the pioneering Price Club stores.

On hand for the Florida opening were Maurice Segall, president of Zayre Corporation, and Mervyn Weich, BJ's president.

Brochures Win Award For Zayre

FRAMINGHAM, Mass. — Zayre has received the National Easter Seals Society's National Handicapped Awareness Week Award for three brochures on providing service to the handicapped.

The three brochures, "Assisting Blind Persons," "Assisting Deaf Persons" and "Assisting Wheelchair-Bound Persons" were distributed to all store-level associates in the company's 280 stores.

Developed by Zayre's office of consumer and community affairs, they are believed to be the first publications of their kind in the retail industry.

Stanley Berkovitz, vp of consumer and community affairs, said he hopes other retailers will establish similar programs.